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UNITED STATES DEPARTMENT OF AGRICULTURE
BUREAU OF AGRICULTURAL ECONOMICS
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AGRICULTURAL FINANCE REVIEW

VOLUME 13 NOVEMBER 1950

FINANCIAL SURVEY OF VIRGINIA AGRICULTURE

Malcolm E. Wallace

Most persons interested in the financial aspects of agriculture are familiar with the national Balance Sheet of Agriculture that has been prepared for each year since 1940 by the Bureau of Agricultural Economics.[1] The method of analysis which it represents has gained general acceptance as providing a useful picture of the Nation's agricultural industry, and a number of the land-grant colleges have undertaken to construct similar balance sheets for their respective States. The present discussion is concerned with the work which has been done along these lines in Virginia.

Ordinarily, in attempting to construct a balance sheet for the agricultural industry of an individual State, it is difficult to obtain suitable data on certain of the balance sheet items, in particular such items as the amount of bank deposits and United States Savings Bonds held by farmers, the value of household equipment owned by farmers, and the amount of farmers' indebtedness to stores, dealers, merchants, and the like. In Virginia it was concluded that reliable data concerning these items could be obtained only by going directly to the farmers in a field survey.

The survey provided data, not otherwise obtainable, from which it is possible to construct not only a balance sheet for the agricultural industry of the State but also one for the farm operators. The two are not the same, as is shown later. It also yielded data on the way in which farm operators are distributed by amount of net worth, amount of liquid assets, amount of debt, and so on. These distributions show the great range of variation in the financial condition of individual farmers and reveal the fallacy involved in trying to derive the financial condition of a "typical" or "average" farmer from a balance sheet of all farm operators, or, even more illogically, from a balance sheet of the agricultural industry.

Data were also obtained concerning the earnings of farm operators, although the development of information on this subject was not a primary aim of the survey. It is believed that these data warrant certain general and

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1/ The Balance Sheet of Agriculture, as of January 1, 1940-50, is shown in table 30 on page 110. For an evaluation of the analytical usefulness of the Balance Sheet of Agriculture, see Roy J. Burroughs, "Balance Sheet of Agriculture: Limitations and Uses," U. S. Bur. Agr. Econ., Agricultural Economics Research 2:86, July 1950.

tentative conclusions regarding variations in income among groups of farmers, but it is recognized that the income schedules were not sufficiently detailed to yield precise or conclusive information.

The Virginia survey demonstrates the advantages of cooperative effort in this field.2/ Had it been attempted by a single agency, the field work alone would have been a very great obstacle. As it was, four agencies pooled their resources in a cooperative effort - the Virginia Polytechnic Institute, Virginia Bankers Association, Federal Reserve Bank of Richmond, and United States Bureau of Agricultural Economics.

The survey was conducted at midyear 1949, and financial data were obtained from approximately 1,500 Virginia farmers. These basic data have been expanded into estimates for the entire population of Virginia farm operators, except managers and share croppers.3/

Balance Sheet of Virginia Agriculture

The assets of Virginia's agricultural industry totaled approximately 2.2 billion dollars at midyear 1949, exclusive of assets employed on manager-operated farms. Physical assets were valued at a little more than 2 billion dollars and financial assets amounted to 177 million (table 1).

The largest item among the assets was land and buildings, which were valued at 1.4 billion dollars and thus represented nearly two-thirds of all assets. The values placed on livestock and on machinery and equipment were 225 and 220 million dollars, respectively, each accounting for about one-tenth of all assets.

The liabilities associated with Virginia agriculture were small in comparison with asset values. The total debt of farm operators amounted to only 131 million dollars, of which approximately two-thirds was real estate mortgage debt and one-third was non-real-estate or "short-term" debt. An additional 10 million dollars of farm real estate debt was owed by nonoperating owners.

With liabilities relatively small the outstanding claim against the assets was represented by owner equities. These equities amounted to almost 2.1 billion dollars, or about 15 times as much as the total debt. Most of the owner equity belonged to the farm operators. Their portion amounted to nearly 1.8 billion dollars, or about 86 percent of the total equity of owners. The

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2/ See W. M. Early, Jr., How One State Inventoried Agriculture. Banking, July 1950.

3/ To be considered a farm operator it was necessary for the person to own part of the land, or livestock, or equipment and to share in the management of the farm. Thus farm laborers and share croppers, who generally work under the supervision of someone else, were not classified as operators, although the farm resources worked by them were included in the tabulations, being credited to the persons supervising the activities. On the other hand, the farms operated by managers in behalf of absentee owners were excluded from the survey entirely.

TABLE 1.- Balance sheet of Virginia agriculture, mid-1949 1/

ASSETS	1,000 dollars	CLAIMS	1,000 dollars
Physical assets:		Liabilities:	
Land and buildings	1,437,562	Real estate mortgages	85,058
Livestock	225,100	Non-real-estate debt	46,187
Machinery and equipment	220,472	Total liabilities 4/	131,245
Household equipment	92,234		
Miscellaneous 2/	44,608	Equities:	
Total physical assets	2,019,976	Nonoperating owners' equity in leased property 5/	290,204
Financial assets:		Operators' equity in owned property	1,775,605
Checking accounts	65,045	Total equities	2,065,809
Savings accounts	43,878	Total claims	2,197,054
Savings bonds	59,762		
Other 3/	8,393		
Total financial assets	177,078		
Total assets	2,197,054		

1/ Exclusive of manager-operated farms.
2/ Includes stored crops, fertilizer, and various supplies.
3/ Includes currency, postal savings, stocks and bonds, investments in cooperatives, etc.
4/ These are the debts of farm operators. As pointed out in footnote 5, the nonoperating owners owed about 10 million dollars in farm real estate debt.
5/ These equities are subject to mortgages, not covered by the study, which total about 10 million dollars for the State as a whole.

TABLE 2.- Financial condition of farm operators in Virginia, mid-1949 1/

ASSETS	1,000 dollars	CLAIMS	1,000 dollars
Liquid financial assets	177,078	Debts 3/	136,705
Other nonfarm assets	130,489	Net worth	1,949,051
Farm operated:		Total	2,085,756
Land and buildings	1,176,056		
Livestock and machinery	422,529		
Miscellaneous 2/	131,187		
Other farm property	48,417		
Total	2,085,756		

1/ Excluding share croppers and managers.
2/ Including household goods.
3/ Including real estate mortgages on nonfarm property.

remaining 14 percent (290 million dollars subject to about 10 million dollars of real estate debt) belonged to nonoperating owners who leased their farm properties to others.

The figures shown in table 1 are useful as a summary of the financial condition of Virginia's farming industry. It would be incorrect, however, to interpret them as a summary of the financial condition of Virginia farm operators. Some of the assets employed in the agriculture of that State belong to nonfarmers, as illustrated by the 290-million-dollar equity of nonoperating owners. Such assets may be properly included in a balance sheet of the farm industry but not in a balance sheet of farm operators. On the other hand, a balance sheet of farm operators should include the assets and liabilities pertaining to farmers' nonagricultural activities, but these items would be out of place in a farm industry balance sheet.

Balance Sheet of Virginia Farm Operators

The operators of farms in Virginia, excluding share croppers and managers, had total assets valued at almost 2.1 billion dollars at the time of the survey (table 2). This total includes the farm properties they operated (valued at about 1.7 billion dollars), other farm properties owned by them (48 million dollars), liquid financial assets (177 million), and nonfarm assets such as city real estate, equities in nonfarming enterprises, and the like (130 million).

The debts of these farm operators amounted to only 137 million dollars, or less than one-fifteenth of their total assets. Included in the debt total are the operators' farm debts already shown in the balance sheet of Virginia's agricultural industry, plus about 5 1/2 million dollars of nonfarm real estate debt owed by them.

The combined net worth of Virginia farmers was a little more than 1.9 billion dollars. This is a higher figure than the operators' equity shown in table 1, because in a balance sheet for operators (table 2) the farmers are credited with the equities they have in nonfarm assets and in the farm assets they lease to others.

From the evidence shown in table 2 it appears that Virginia farmers as a group were in good financial condition at midyear 1949. More than nine-tenths of their assets were represented by net worth, and their liquid financial assets alone totaled more than their debts.

The financial strength of individual farmers, however, varied considerably. This is brought out in the following paragraphs by dividing operators into four main categories,[4] to show how the financial averages differ from one

[4] The four types of operators are as follows: (1) Owner-operators, and (2) tenant-operators, whose incomes were derived chiefly from farming; and (3) owner-operators, and (4) tenant-operators, whose incomes were derived partly from farming but chiefly from other occupations. The first two classes are hereafter called "full-time farmers" because of their primary concern with farming; the latter two classes are called "part-time farmers."

type of operator to another, and by arranging the operators in frequency distributions.

Financial Differences Among Farm Operators

The value of the physical farm assets owned by Virginia farm operators averaged about $11,000 (fig. 1). This amount includes some farm properties owned by some of the operators and leased to others but excludes all nonfarm assets, physical or otherwise.

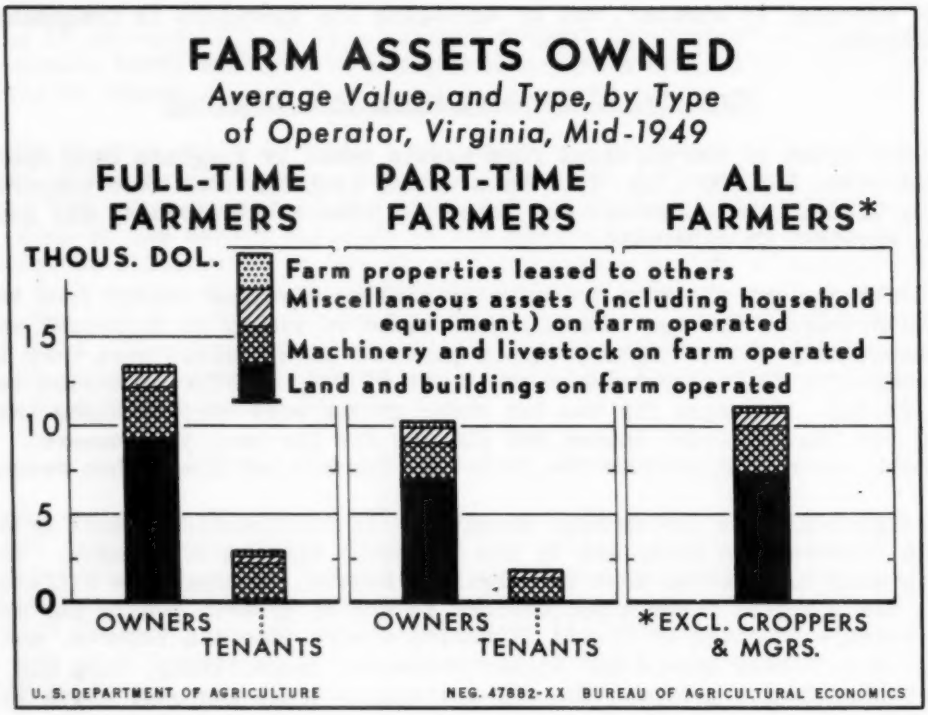
Averages for the various operator classes diverged widely from the over-all average. The two tenant groups owned virtually no farm real estate and consequently the averages of their physical asset values were very low; the average for full-time tenants was about $3,000, and for part-time tenants it was $1,750. Averages for the two owner groups were several times larger: $13,400 for the full-time owners and $10,200 for the part-time owners. Thus, among both owners and tenants the full-time farmers had the higher averages.

Figure 2 shows the average amount of liquid financial assets held, by Virginia farmers as a group and by the different classes of farmers. The story is much the same as that for physical assets, although the difference between one group of farmers and another is not so great. Owners had much higher average holdings of liquid financial assets than did tenants, and the two full-time farmer groups had higher averages, respectively, than did the two part-time farmer groups. The all-operator average was just above $1,100.

The averages shown in figure 2 do not tell the complete story, however, as many operators reported virtually no financial assets at all. Thirty-nine percent of all operators were in this category, reporting less than $50 in liquid assets, and another 16 percent reported less than $250 (table 3). In none of the four operator classes did as many as 50 percent of the operators report more than $250 in financial reserves. It thus appears that a large proportion of Virginia farmers would not be able to finance any sizable expansion of their farming assets, or to "ride out" any extended period of adverse farming conditions, on the basis of their financial reserves alone.5/

Although the majority of Virginia farmers had less than $250 in financial reserves, an even greater number were free - or virtually free - of debt. Sixty-three percent of all operators reported less than $50 of total indebtedness. In the various operator classes the proportion reporting less than $50 of debt were: Full-time owners - 65 percent; full-time tenants - 63 percent; part-time owners - 58 percent; and part-time tenants 63 percent.

5/ The fact that such a great proportion of operators reported no liquid financial assets (that is, they reported less than $50 of such assets) means that averages based on the holdings of only those operators who reported such assets would be very much greater than the averages shown in figure 2. For example, figure 2 shows an all-operator average of about $1,100, but the exclusion of those operators (39 percent) who reported virtually no liquid financial assets would result in an average holding of about $1,800 for those who reported $50 or more of such assets.



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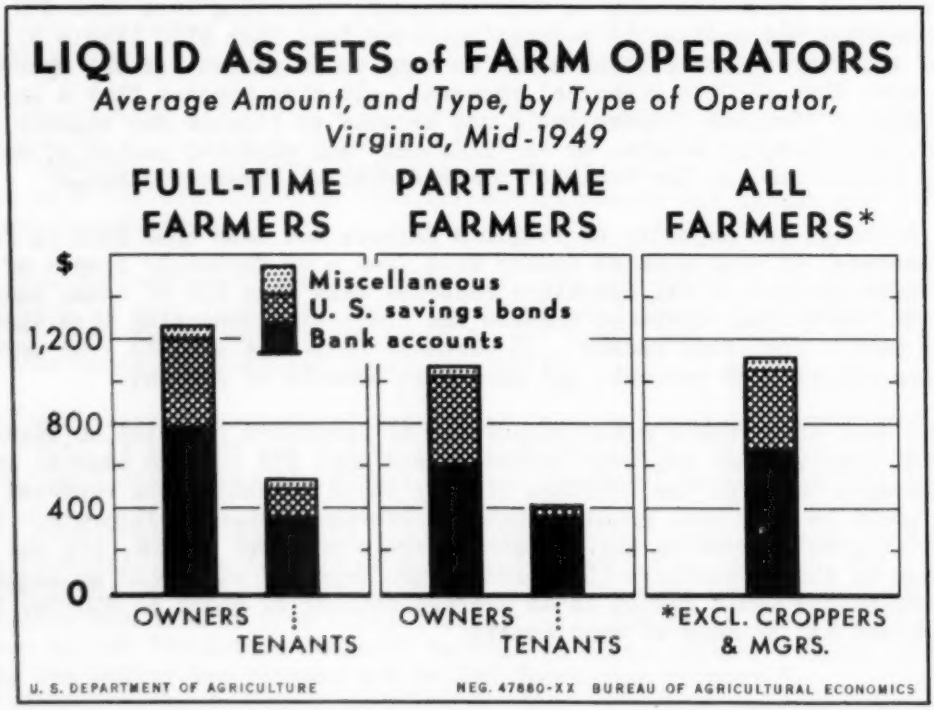

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TABLE 3.- Percentage distribution of farm operators, by amount of liquid financial assets reported and by type of farm operator, Virginia, mid-1949

Amount of liquid financial assets	Full-time farmers 1/		Part-time farmers 2/		All farm operators 3/
	Owners	Tenants	Owners	Tenants	
Dollars	Percent	Percent	Percent	Percent	Percent
Under 50	40	51	32	53	39
50 - 249 . .	14	13	21	30	16
250 - 549 . .	11	16	12	2	12
550 - 1,449 . .	15	9	16	3	15
1,450 - 3,949 . .	11	7	11	12	10
3,950 - 7,449 . .	6	4	6	0	6
7,450 and over . .	3	0	2	0	2
Total	100	100	100	100	100

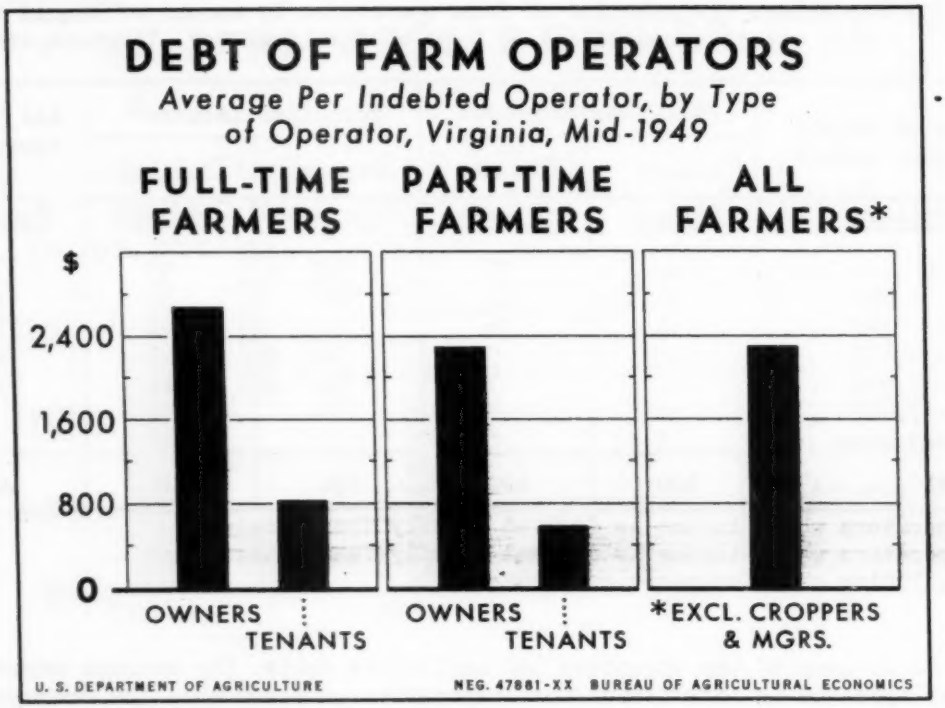
1/ Operators whose income is derived chiefly from farming.
2/ Operators whose income is derived chiefly from other sources.
3/ Excluding share croppers and managers.

As so many of the operators had negligible debts, the average amount of debt per operator is less useful for comparative purposes than the average amount per indebted operator. The over-all average for operators with $50 or more of debt was about $2,300 (fig. 3), and again there was considerable variation from one operator class to another. Tenants, with virtually no farm real estate debts, owed much less on the average than did owners. Also, part-time farmers owed less on the average than did full-time farmers.

Although less than one-fifth of the operators reported farm real estate debt these mortgages accounted for about 62 percent of the total indebtedness of farm operators. This was because the average mortgage debt was considerably larger than the average short-term farm debt - $3,069 as compared with $1,067.

Short-term farm debt represented a little more than a third of the total debt of operators. Most short-term obligations were fairly small in amount, even though the average was $1,067. Only 27 percent of the operators reported $50 or more of such debt; of these, more than two-thirds owed less than $650. The distribution of farm operators by size of short-term farm debt is shown in table 4.

The pattern of differences among operators with respect to asset and liability items is repeated in the net worth figures. The average net worth of owners was about four times as great as that of tenants, and the two groups of full-time farmers had larger averages than the groups of part-time farmers. Averages for the four classes were approximately as follows: Full-time owners - $14,300; full-time tenants - $3,400; part-time owners - $12,000; and part-time tenants - $3,000. The average for all operators was $12,200.



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These average net worth figures overstate the financial strength of most Virginia farm operators, however, as may be seen in table 5. A minority of farmers in each operator group had net worths above the class average. A few had net worths many times their class average, but a majority of at least two-thirds, had net worths below their class averages.

A further aspect of the financial differences among operator types becomes evident when farmers are classified according to size of farm operated, as in table 6.[6/] Moreover, the size-of-farm classification allows some interesting income comparisons to be made.

It should be kept in mind that the income figures in table 6 are probably underreported to a considerable extent. (See technical note at the conclusion of this article.) This underreporting detracts from the reliability of the income figures when expressed in absolute terms. It should also be accepted as a caution when the figures are used in a comparative sense, but the income disparities between different groups of farmers appear too large to be attributed solely to variations in reporting. Thus it seems proper to use the figures as indicators, but not as precise measures, of differences in the earnings of various operator groups.

6/ Table 6 presents data concerning owner-operators only. However, the size-of-farm relationships among tenant-operators were similar. Tenants are omitted from the table because their asset and net worth averages were much lower than those of owners, although, because of the use of leased assets, the tenants did not have proportionately lower average incomes. The inclusion of tenants would thus depress the financial averages appreciably without having an equal effect on the income averages.

TABLE 4.- Percentage distribution of farm operators by amount of short-term farm debt reported, by type of farm operator in Virginia, mid-1949

Amount of short-term farm debt	Full-time farmers[1]		Part-time farmers[2]		All farm operators 3/
	Owners	Tenants	Owners	Tenants	
Dollars	Percent	Percent	Percent	Percent	Percent
Under 50	76	64	69	75	73
50 - 249 .	9	13	12	13	10
250 - 649 .	7	12	12	8	9
650 - 1,249 .	4	5	4	1	4
1,250 - 2,549 .	2	4	1	0	2
2,550 - 4,949 .	1	2	1	3	1
4,950 and over .	1	0	1	0	1
Total	100	100	100	100	100

1/ Operators whose income is derived chiefly from farming.
2/ Operators whose income is derived chiefly from other sources.
3/ Excluding share croppers and managers.

The first two lines of table 6 show that full-time owner-operators, as a group, had a somewhat stronger average financial condition than the part-time owners. The full-time owners also received a much larger average farm income (including products consumed on the farm). Nevertheless, the part-time owners had the higher average of total net income, because of their high nonfarm earnings.

TABLE 5.- Percentage distribution of farm operators by amount of net worth, by type of farm operator, mid-1949

Net worth	Full-time farmers[1]		Part-time farmers[2]		All farm operators 3/
	Owners	Tenants	Owners	Tenants	
Dollars	Percent	Percent	Percent	Percent	Percent
Under 500	4/	18	0	11	2
500 - 2,499 .	11	41	8	59	15
2,500 - 7,499 .	34	28	41	23	35
7,500 - 14,499 .	28	9	29	4	26
14,500 - 49,499 .	22	4	20	3	19
49,500 and over .	5	0	2	0	3
Total	100	100	100	100	100

1/ Operators whose income is derived chiefly from farming.
2/ Operators whose income is derived chiefly from other sources.
3/ Excluding share croppers and managers.
4/ Less than 0.5 percent.

When the operators are further classified by size of farm operated, as in the remainder of table 6, the disparity in total net income averages is even greater. It is also shown that where the two groups are operating farms of comparable size the part-time owners not only have the larger average income but also the stronger average financial condition. That the part-time owners should have larger asset and net worth averages for each size-of-farm breakdown and yet have smaller averages as a group reflects the fact that a smaller proportion were large-scale operators than was true of the full-time owners.

It also appears from table 6 that small-scale farming in Virginia generally is not very profitable. The full-time owners operating less than 30 acres had relatively low incomes on the average, and those operating 30 to 99 acres did little better. Even with a liberal allowance for underreporting, these income data indicate that many of the full-time operators of small units received only meager returns from their work.

One indicated solution of the low-income problem among these small-scale farmers would be a further shifting into off-farm employment - provided off-farm employment opportunities are available to them. By combining both farming and nonfarming pursuits the part-time farmer groups earned relatively substantial incomes; even those on farms of less than 30 acres had a relatively high total net income average.

Another possible plan for many of the low-income farmers to follow, particularly for the better managers among them, would be to increase the size of farm operated. Not all farmers on units of less than 100 acres had low incomes in 1948; neither did all those on units of 100 acres or more have high incomes. Nevertheless, the income data in table 6 indicate that increases in farm size would in general be beneficial for the 62 percent of full-time owners (and 55 percent of full-time tenants) who were operating less than 100 acres.

Uses of the Survey Data

The preceding tables and charts have been presented not only for their direct value as a brief factual report on some of the survey findings but also for the indication they give of the many purposes for which data of this kind can be used.

The two balance sheets give an over-all or global view of the financial condition of Virginia agriculture and of the farm operators, and the subgroup averages and frequency distributions outline the individual differences in financial conditions, the net effects of which are summed up in the balance sheet aggregates. For those whose interest in the financial aspects of Virginia agriculture is general, these two types of information may give a sufficient summary of the outstanding features.

However, much additional information is available from the survey data. It is possible to analyze more thoroughly the financial differences according to tenure, full- or part-time operation, and size of farm; and also to show the differences associated with type of farm operated, age of operator, section of Virginia in which the farm was located, and the like. The possibilities are numerous, and the data allow analysis to be pinpointed on many of the special

TABLE 6.- Financial and income characteristics of farm owners, by type of owner and by size of farm operated, Virginia, mid-1949 1/

Owner-operator class	Number of owner operators	Average total assets 2/	Average net worth	Average liquid assets	Average debt	Average net farm income	Average net nonfarm income	Average total net income
All full-time owners 3/	96,736	15,214	14,282	1,257	932	1,629	168	1,797
All part-time owners 4/	41,386	12,936	11,962	1,068	974	551	2,276	2,827
Full-time owner-operators on farms of:								
Under 30 acres	21,700	5,184	5,045	376	139	931	199	1,130
30 - 99 acres	38,374	9,322	8,963	742	359	1,241	126	1,366
100 - 219 acres	24,605	17,468	16,412	1,628	1,056	1,865	146	2,011
220 acres or more	12,057	47,416	43,486	3,727	3,930	3,640	288	3,928
Part-time owner-operators on farms of:								
Under 30 acres	24,338	8,248	7,695	742	553	486	1,977	2,463
30 - 99 acres	10,622	12,245	11,059	1,187	1,186	533	2,237	2,770
100 - 219 acres	5,046	24,608	22,645	2,035	1,963	683	3,063	3,747
220 acres or more	1,380	58,249	55,111	2,362	3,139	1,349	4,980	6,329

1/ Excluding owners whose farms are operated by managers.
2/ Total of farm and nonfarm assets.
3/ Owner-operators whose income is derived chiefly from farming.
4/ Owner-operators whose income is derived chiefly from other sources.

problems in which researchers, teachers, county agents, lenders, and others are interested.

The survey data also establish a statistical "bench mark" from which changes over a period of time can be measured. These changes can be measured by comparing frequency distributions or balance sheets, or both, but the balance sheet construction is particularly valuable in this connection. Although the assets and the debts can be ascertained on an independent basis, the equity figures, being residual amounts, can be known only by a balance sheet procedure.

The Virginia survey findings can also be compared with data gathered in a similar way in other States, to show geographical differences in the financial condition of agriculture. Ideally, comparisons of this nature should grow out of surveys not only uniform in method but also simultaneous in timing, and it is hoped there may soon be instances in which two or more States are conducting such research at the same time. However, a relatively small difference in timing might not be important.

Unfortunately neither of these latter two uses of the survey findings is fully available to Virginia researchers at this time. The 1949 balance sheets are the first constructed in that State. They are also the first in the United States to be constructed entirely from survey data. 1/ A balance sheet of the agricultural industry of Minnesota has been published, 1/ but a Virginia-Minnesota comparison does not appear to be valid because of methodological differences, as well as some difference in the items included in the two balance sheets.

Data from State surveys may also prove useful in sharpening some of the estimates included in the national Balance Sheet of Agriculture put out by the Bureau of Agricultural Economics. The Virginia findings - frequency distributions and averages as well as the aggregates - are currently being studied for their significance in this respect.

Technical Note on Comparison of Expanded Survey Data with Other Data

Table 7 shows a comparison of the expanded survey data with check data which are identified in the table. It should be remembered that data from all these sources are subject to error or lack of full coverage. No data of unquestionable accuracy are available for check purposes.

In general, it appears that the expanded survey data are within sufficiently close range of the check data to warrant confidence in their reasonableness. However, it seems probable that the farmers included in the survey underreported their 1948 incomes. There are no check data with which to compare the reported nonfarm incomes, but the reported farm incomes (gross) fell short by about 21 percent of the BAE estimate for Virginia of gross farm receipts plus Government payments.

1/ Cox, Rex W. and Waite, Warren C. Financial Structure of Minnesota Agriculture, Minn. Agr. Expt. Sta. Bul. 402, March 1949.

TABLE 7.- Comparison of survey data and other data

Item		Survey data	Other data	Source and date of other data
		Thousands	Thousands	
1. Farm land operated, excluding acreage operated by managers		15,584	15,589	Census of Agriculture, 1945
2. Farm operators, by size of farm operated, excluding managers and share croppers				
Under 30 acres	Number	52	56	Census of Agriculture, 1945
30-99 acres	do.	56	56	do.
100-219 acres	do.	35	34	do.
220 acres and over . . .	do.	16	15	do.
3. Value of farm land and buildings, excluding manager-operated land . .	Dollars	1,438,000	1,380,000	Census of Agriculture, 1940, adjusted for increase shown by BAE index of land values 1/
4. Value of livestock on farms	do.	225,000	198,000	Agricultural Estimates, USDA, January 1, 1949 1/
5. Value of crops and livestock marketed plus Government payments, 1948	do.	344,000	434,000	Bureau of Agricultural Economics 1/
6. Farmer-owned demand deposits	do.	65,000	105,000	Estimate by Federal Reserve Board, January 31, 1949
7. Farm-mortgage debt owed by owner-operators	do.	85,000	80,000	Bureau of Agricultural Economics (total farm-mortgage debt minus estimate for tenant- and manager-operated farms)
8. Farm-mortgage loans of commercial banks and the Federal land bank. (Survey data are for farm operators only; the other data are for all owners)				
Commercial banks	do.	46,229	27,805	Federal Deposit Insurance Corporation, July 1949
Federal land bank and Commissioner loans . .	do.	7,929	8,983	Farm Credit Administration, July 1949
9. Non-real-estate loans to farmers held by commercial banks and production credit associations (survey data are for farm operators only; other data are for all borrowers)				
Commercial banks	do.	27,600	30,910	Federal Deposit Insurance Corporation, July 1949
Production credit associations	do.	4,300	7,072	Farm Credit Administration, July 1949

1/ Value reduced by 4 percent to eliminate manager-operated farms.

There may also have been some underreporting of liquid assets, although this is not certain. Checking accounts, the only type of liquid asset for which comparative data are available, may not be far out of line, as these accounts in Virginia are usually lower at midyear than at the end of January. Moreover, deposits reported by depositors are always lower than those reported by banks because of outstanding checks which have not reached the banks.

With respect to the figures on farm debts there is no evidence of underreporting. The survey figure for farm-mortgage loans held by commercial banks is much too high, although the figure for total farm-mortgage debt corresponds fairly closely to the check data. Part of the large volume of mortgage debt attributed to banks may result from farmers' failure to distinguish precisely between banks acting as lending agents for others and banks acting as lending principals on their own accounts. It is also possible that farmers did not take into consideration instances in which banks made collections on mortgage notes they had sold to other investors.

Production Credit Associations.- The production credit associations have been making consistent progress toward the goal of complete member-ownership by farmers and stockmen. When the associations began operations in 1933-34 they were almost completely capitalized by the Government-owned production credit corporations, which had a total stock investment of $90,086,450 in capital stock of the associations at the end of 1934. As the investment of member-stockholders and accumulated earnings increased, the associations progressively retired substantial amounts of stock owned by the corporations so that on June 30, 1950, Government investment in the associations had been reduced to $18,066,000.

Progress in member-ownership of the associations is shown by table 1, which contains figures as of the end of 1943 and 1946 compared with June 30,1950.

TABLE 1.- Summary of operations of production credit system

Item	Date		
	Dec. 31, 1943	Dec. 31, 1946	June 30, 1950
Number of production credit associations	523	504	502
Number of stockholders	338,000	383,000	461,000
Capital stock owned by members			
A stock	$1,781,000	$6,737,000	$17,481,000
B stock	24,852,000	31,339,000	49,712,000
Total	26,633,000	38,076,000	67,193,000
Total accumulated earnings	28,526,000	38,650,000	61,127,000
Total accumulated earnings plus member-owned stock	55,159,000	76,726,000	128,320,000
Production credit corporation-owned A stock	75,770,000	45,898,000	18,066,000
Total net worth	130,929,000	122,624,000	146,386,000
Number of production credit associations completely member-owned	-	12	134

After 10 years of operation the first production credit association repaid all its Government capital at the end of 1944. By June 30, 1950, 134 associations had retired all Government capital and were completely owned by their members. Many other associations are approaching this goal and look forward to retiring the remainder of the Government-owned stock within a reasonable time.

RURAL HOMESTEAD AND VETERANS' EXEMPTIONS IN PROPERTY TAXATION

Daniel W. Burch

At present, 14 States (table 1) have provisions for homestead exemptions and 26 States (table 2) exempt veterans' property from taxation up to a stated amount, depending upon disability, residence, or other considerations.1/ Homestead and veterans' exemptions, although independent of each other in most States, are both analyzed here because of their importance to rural taxpayers. In most cases, the exemptions are granted on both urban and rural property. This paper, however, is limited to a discussion of exemptions of rural property from taxation. It includes a summary of the important legal provisions and their fiscal significance, and a short analysis of the effects of these exemptions on taxpayers and governments.

During the depression of the 1930's, property tax levies were relatively stable, but farm income declined sharply. Farmers found it difficult to pay their property tax levies from available income and tax delinquency increased. Homestead exemption statutes were enacted largely as relief from these high tax levies on small farms and homes. Veterans' exemption statutes, in contrast, enacted shortly after the Civil War, had as their principal purpose partial compensation for the inconvenience, sacrifice, and reduced earning ability caused by military service in time of war.

A rural homestead is usually thought of as an area of land with buildings that is owned and occupied as a home, and cultivated as a means of livelihood. For purposes of tax exemption, a homestead must be owned and occupied by a legal resident of the State. Legal residence requirements vary from State to State; Iowa, for example, requires that the owner live on the homestead for at least 6 months of each year for which exemption is claimed.2/ In most instances, the owner must have made at least partial payment on the purchase price of the homestead in order to qualify for exemption. In West Virginia, however, residential farm property, whether occupied by the owner or bona fide tenant, receives a preferential tax rate.3/

A veteran, as commonly understood, is an individual, male or female, who has served in the armed forces of the United States for a specified minimum period during time of war and has received an honorable discharge upon

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1/ Homestead exemption in Arkansas is not effective. Although the homestead exemption law is still part of the Arkansas Code, the legislature repealed (effective December 31, 1947) the State property tax, which was the only levy to which the exemption applied. North Dakota exempts the value of farm structures located on agricultural lands and is therefore included as a homestead exemption State. Vermont, although it is not included in table 1, permits towns to exempt new dwelling houses from property taxation provided total assessed value does not exceed $5,000.

Among the States granting preferential tax treatment to veterans, a dozen exempt all of them, but only those who are disabled or incompetent are given special treatment in the remaining States.

2/ Iowa Code, Ch. 425.

3/ West Virginia Code, Sec. 756.

Table 1.- Exemptions of rural homesteads from real property taxation 1/

State	Year present law first effective	Legal basis of exemption 2/	Maximum amount of exemption	Levies included in exemption	Other provisions
Alabama	1936	S	$2,000 assessed value and 160 acres	State taxes only	
Arkansas	1938	C	$2,000 assessed value	State taxes only	The State property tax was repealed December 31, 1947
Florida	1935	C	$5,000 assessed value	State and local taxes except special assessments	Florida Supreme Court has ruled that taxes to service prior debt are not exempt
Georgia	1938	C	$2,000 assessed value	State, local, and school taxes except taxes to service debt	The General Assembly may lower exemption to $1,250. Some consolidated school districts are exempt by legislative acts
Iowa	1937	S	Up to 25 mills on $2,500 assessed value and 40 acres	All	Receipts from State income and sales taxes are used to reimburse counties for taxes on exempt properties
Louisiana	1935	C	$2,000 assessed value	State, parish, and special taxes	Receipts from State income, alcoholic beverage, and public utility taxes are used to reimburse parishes for taxes on exempt property
Minnesota	1934	S	Law provides for assessing homesteads at 20 percent of true value up to $4,000 and 33 1/3 percent on excess, and State taxes are exempt up to $4,000 true value except for prior debt service	All	
Mississippi	1934	S	$5,000 assessed value and 160 acres	State taxes; taxes levied for current county expenses, roads, schools, and maintenance; and current expenses of separate municipal school districts	The legislature appropriates money from general fund to reimburse counties and school districts for taxes on exempt properties
North Dakota	1919	S	All farm structures and improvements located on agricultural lands	All	
Oklahoma	1937	C	$1,000 assessed value	All levies except those for prior contracts and debt service	The constitution provides that the exemptions shall be in force not less than 20 years and that the exemption may be increased but not decreased
South Dakota	1937	S	$5,000 assessed value and 160 acres	State taxes only	
Texas	1933	C	$3,000 assessed value and 200 acres	State taxes only	After January 1, 1951 "no State tax shall be levied for general revenue purposes." Counties may levy taxes with $3,000 homestead exemption for farm-to-market roads and flood control up to 0.30 per $100 of assessed value
West Virginia	1933	C	The preferential maximum rate to owners and tenants who occupy and cultivate rural lands is $1.00 per $100 of assessed value compared with $1.50 for other rural lands	All	
Wyoming	1935	S	$500 assessed value	All	Counties are reimbursed by State Board of Equalization for taxes on exempt properties. The legislature appropriated $1,250,000 for this purpose for the period 1949-1951

1/ State codes and session laws are the principal sources of these materials. Data as of August 1950.
2/ C = constitution; S = statutes.

completion of service. In a particular State statute, however, this definition of those who receive veterans' preference may vary considerably. For example, in California, veterans or their "widows, widowed mothers, or pensioned widows" are exempt, as are the children of deceased veterans in Louisiana. In Idaho, Massachusetts, Michigan, and Vermont, all veterans of the Spanish-American, Civil, and earlier wars and only disabled veterans of World Wars I and II are given preferential treatment. New Mexico, on the other hand, exempts only veterans of World Wars I and II, and the Louisiana law applies only to veterans of World War II. In Maine, veterans who are 62 years of age or older receive the same exemption as disabled veterans.

Provisions of Homestead Exemption Statutes

The more important provisions of State statutes that deal with homestead exemptions are shown in table 1. Of the States listed, three at present exempt State property taxes only, six exempt at least part of the local tax levies, and four reimburse local governments for revenue lost through exemptions.

In the first group, those exempting homesteads from State taxes only, the range of provisions is wide. In Alabama the maximum exemption is $2,000 assessed value of property, in Texas $3,000, and in South Dakota $5,000. The acreage limits in these States are as follows: In Alabama none, in Texas 200, and in South Dakota 160.

Another group of States, including Florida, Georgia, Minnesota, North Dakota, Oklahoma, and West Virginia, exempts homestead property from most State taxes if any are levied, and from part or all of local property taxes. Florida has one of the largest maximum exemptions - $5,000 assessed value, which is applicable to all property tax levies except special assessments and taxes to service prior debts. In Georgia, homesteads valued up to $2,000 are exempt from most State, local, and school taxes. North Dakota exempts all farm structures located on agricultural lands from local as well as from State levies. In Oklahoma, homesteads up to $1,000 of assessed value on 160 acres are exempt from all property taxation, except taxes to pay prior contracts and debt service. The classification of property in Minnesota grants owners of homesteads preferential assessments, and in West Virginia preferential rates are allowed. In Minnesota, up to $4,000 of true value is assessed at 20 percent, and that part with a true value of over $4,000 at 33 1/3 percent. In West Virginia the maximum rate on residential farm property, whether occupied and cultivated by owners or bona fide tenants, is $1.00 per $100 of assessed value compared with $1.50 per $100 of assessed value on other rural lands.4/

A third group of States - Iowa, Louisiana, Mississippi, and Wyoming - exempt homesteads from all property tax levies and compensate local governments by transferring revenue from State sources, such as appropriations from the general fund or receipts from specified taxes. Iowa grants a homestead exemption credit up to 25 mills on the first $2,500 of assessed value on lands up to

4/ The maximum rate on owner-occupied urban residences is also $1.00 per $100 of assessed value, but the maximum rate on other urban land is $2.00 per $100 of assessed value.

40 acres in area. Part of the receipts from State income, sales, and use taxes are transferred to county treasurers as a credit for revenue lost from homestead exemptions. Parishes in Louisiana are reimbursed for revenue lost by the exemption of homesteads valued up to $2,000 and 160 acres. Under certain conditions, tax receipts are diverted from State income, public utility, and alcoholic beverage taxes. The Mississippi Legislature appropriates money from the general fund to compensate counties for exemptions on homesteads not exceeding $5,000 of assessed value and 160 acres. In Wyoming, where a homestead is exempt on property valued up to $500 assessed value, the legislature appropriates funds to reimburse counties for revenue losses.

Provisions of Veterans' Exemption Statutes

The States that grant property tax exemptions to all veterans are Arizona, California, Connecticut, Iowa, Louisiana, Nevada, New Hampshire, New Jersey, New Mexico, Oklahoma, Rhode Island, and Wyoming (table 2). The assessed value that may be exempt varies from $500 in New Jersey to $1,000 in California and Nevada, and $2,000 in Arizona, New Mexico, and Wyoming. In Iowa, veterans' exemptions vary with the wars involved; the upper limit of property tax exemption for World War II service is $500; for World War I, $750; for the Civil War, $1,800; and for the Mexican War, $3,000.

In sharp contrast with homestead exemption laws, the statutes of most States that grant exemption of veterans' property include both real and personal property. In addition, the exemptions usually apply to all property tax levies. In Maine, however, only town taxes are exempt. In Rhode Island, the exemption applies first to real and tangible personal property and then to intangible personal property.

In the remaining States the property of disabled veterans is exempt in varying amounts, depending largely upon extent of disability. The upper limit of the exemption is $500 in Florida; $1,000 in Idaho, Indiana, and Oregon; $2,000 in Massachusetts and Michigan; $3,000 in Utah; $3,500 in Maine; and the exemption that is granted property of disabled veterans in South Carolina, Rhode Island, Maryland, and Vermont applies to all levies. The property of "incompetent" veterans is exempt up to $3,000 in Alabama, and it is entirely exempt in Montana. New York permits an exemption up to $10,000 in value from taxes on property of a disabled veteran that was purchased with Government pension, bonus, or insurance fund. Oklahoma exempts veterans and widows of deceased veterans from taxes on personal property up to $200 assessed value.

In a number of States the assessed value of a veteran's total property cannot exceed a certain amount to qualify for the exemption. For example, in Idaho, exemption is granted only if either the assessed value of a veteran's property or his annual income is less than $3,600. In Arizona, California, Indiana, and New Hampshire, the assessed value of a veteran's property must be less than $5,000 in order to qualify for an exemption. In Massachusetts, exemption is allowed only if total property exclusive of mortgage does not exceed $8,000.

Most of the States require that the veteran be a legal resident only at the time the claim is filed. Arizona, however, requires that residence of World War II veterans must have been established before September 1, 1945. New Mexico requires that World War I veterans must have been residents before January 1, 1934, and World War II veterans before September 1, 1947. In Wyoming, residence is required at the time of entry into the service.

In a few States, veterans' exemptions are granted only if the property can be classified as a homestead. For instance, in Louisiana, veterans of World War II who own homesteads up to 160 acres are exempt up to $5,000 assessed value for 5 years between 1947 and 1954. After this period, veterans will be given the same exemption as other homestead owners - $2,000. In Oregon, widows of veterans of the Civil or Spanish-American Wars can claim an additional exemption of $500 for property occupied as a homestead. The Massachusetts statute requires that the property be occupied as a home in order to qualify for exemption.

In some States, veterans' exemptions are paid by transferring State revenues to local governments. Iowa appropriates from the general fund to local governments a military credit of not more than 25 mills for each dollar of exempt property. In Louisiana, reimbursements for veteran exemptions are made from the Property Tax Relief Fund to the parishes. Michigan appropriates money from the general fund to reimburse villages, cities, and townships for revenues that would be lost through veterans' exemptions. The Wyoming Legislature appropriated $1,800,000 for the period 1949-51 to reimburse the counties for the revenue lost because of veterans' exemptions.

Significance of Homestead and Veterans' Exemptions to Taxing Units

The effect of homestead and veterans' exemptions on assessed values and rates in the various States is difficult to analyze. Factors such as subventions or other State aids, rate limitations, and assessment practices influence assessed values and tax rates; consequently, the published information on the subject is not entirely satisfactory for appraising the significance of these exemptions.

The assessed value of exempt homestead property, the number of homesteads, and the revenue transferred from State sources, however, give some indication of the significance of homestead exemptions. For example, the assessed value of exempt homestead properties was 20 percent of the total State assessed valuation in Alabama in 1946.5/ and 23 percent in Georgia in 1947.6/ In 1947, Iowa transferred $17,213,632 to local governments as compensation for 442,336 homestead exemptions which had an average assessed value of $1,591.7/ In 1949, Louisiana transferred $12,846,991 to the parishes from State tax

5/ Computed from Alabama Department of Revenue Report Oct. 1, 1942 to Sept. 30, 1946, p. 50.

6/ Brooks, R. P. The Georgia Property Tax, Univ. of Georgia Monograph No. 7, January 1950, pp. 10-11.

7/ Iowa Tax Commission. Report, 1948, pp. 175-180. Rural homesteads were credited with $6,422,504.

TABLE 2.- Veterans' exemptions from property taxation 1/

State	Year present law first effective	Legal basis of exemption 2/	Type and amount of exemption	Other provisions
Alabama	1935	S	Up to $3,00 in value of real and personal property of "incompetent" veterans is exempt from all property taxes	
Arizona	1913	C	Up to $2,000 in value of property is exempt from all taxes provided total assessed value does not exceed $5,000	Veteran must have served 60 days in time of war and have been resident prior to September 1, 1945
California	1911	C	Property valued up to $1,000 of veterans, veterans' widows, and widowed mothers or fathers is exempt from all taxes provided claimant's total property does not exceed $5,000 in value	
Connecticut	1930	S	Value of property is exempt up to $1,500 for veterans with 10 to 25 percent disability and up to $3,000 for those with 75 percent disability; value of property of other veterans, or their widows, widowed mothers, or pensioned mothers and fathers is exempt up to $1,000	If value of veteran's property does not equal amount of exemption, his wife's property may be exempt for the balance
Florida	1885	C	Value of all property up to $500 of disabled veterans is exempt from all property taxation	
Idaho	1911	S	An exemption of property valued up to $1,000 may be claimed by veterans of Civil, Indian, and Spanish-American wars and Philippine Insurrection, and disabled veterans of other wars, provided neither total property owned nor annual income exceeds $3,600	Farm implements and household goods are each exempt up to $400 provided the full cash value of each is not more than $1,000, but total exemption including real property cannot exceed $1,000
Indiana	1927	S	Totally disabled veterans' property up to $1,000 in value is exempt from all taxes provided its total assessed value does not exceed $5,000. Property of partly disabled veterans is exempt up to $2,000	Attorney General has ruled that the exemptions are separate and receipt of one does not preclude receipt of the other
Iowa	1880	S	All property of veterans of Mexican war is exempt in value up to $3,000, Civil War $1,800, World War I $750, and World War II $500	The legislature appropriated $1,300,000 to compensate local taxing units for revenue lost in 1949. The credit cannot exceed 25 mills per dollar of exempt property
Louisiana	1948	C	Veterans of World War II and widows or children of deceased veterans who are owners of homesteads up to 160 acres are exempt from State, parish, and special taxes on property valued up to $5,000 for a period of 5 years. The exemption period begins with 1947 and expires in 1954	Local taxing units are reimbursed on a pro rata basis from the Property Tax Relief Fund to which part of the receipts from State income, alcoholic beverage, and public utility taxes are transferred
Maine	1931	S	Property valued up to $3,500 of disabled veterans, veterans over 62, widows of veterans over 62, and pensioned widows is exempt from town taxes	
Maryland	1950	S	The dwelling house and lot of disabled veterans with service-connected disability from paraplegia, total blindness, or amputation of both arms or legs are exempt from property taxation	Veteran must be legal resident of Maryland
Massachusetts	1894	S	Property valued up to $2,000 of veterans of Civil and Spanish-American wars, Philippine Insurrection, and Chinese Relief Expedition, disabled veterans of other wars, and their widows may be exempt from taxation provided total value of real and personal property does not exceed $6,000 exclusive of mortgage, and property is occupied as a home	
Michigan	1897	S	Property valued up to $2,000 of veterans of Mexican, Civil, Indian, and Spanish-American wars, Philippine Insurrection, China Relief Expedition, widows of deceased veterans, and disabled veterans of World Wars I and II are exempt from all taxes on property owned and used as a homestead. World War II soldiers' and sailors' property used as a homestead is exempt up to $2,000 while in the service and 1 year after discharge	Appropriations are made from the State general fund to reimburse cities, villages, and townships for revenue lost

Continued

State	Year present law first effective	Legal basis of exemption 2/	Type and amount of exemption	Other provisions

TABLE 2.- Veterans' exemptions from property taxation 1/ - Continued

State	Year present law first effective	Legal basis of exemption 2/	Type and amount of exemption	Other provisions
Montana	1891	S	Property of incompetent veterans, when purchased with Government pension, is exempt from all taxation	
Nevada	1917	S	Property of veterans is exempt up to $1,000 assessed value	Veterans must make an affidavit annually before county assessor
New Hampshire	1871	S	Totally disabled veterans are exempt from all taxes on property valued up to $3,000. Other veterans and their widows are exempt from taxes on property valued up to $1,000 provided total value does not exceed $5,000	
New Jersey	1918	S	All veterans or their widows are exempt from all taxes on real and personal property valued up to $500	
New Mexico	1933	S	Veterans or their unmarried widows of World Wars I and II are exempt from taxes on real and personal property valued up to $2,000	Legal residence in New Mexico is required on or before January 1, 1934, for World War I veterans and January 1, 1947, for World War II veterans
New York	1897	S	A veteran, or his wife, widow, dependent child, or dependent father or mother may be exempt from all taxes on property valued up to $5,000, and a seriously disabled veteran up to $10,000 provided the property was purchased from the proceeds of a pension, bonus, or insurance granted by the United States for military services. An exemption up to $5,000 may be granted to disabled veterans who bought property with money raised by popular subscription	
Oklahoma	1910	S	Veterans of Civil and later wars and widows of deceased veterans are exempt from taxes on personal property valued up to $200	
Oregon	1921	S	Veterans of Civil and Indian wars, veterans with 40 percent or more disability, or their widows, may claim an exemption from taxes on property valued up to $1,000. Widows of Civil or Spanish-American War veterans may claim an additional exemption of $500 on property occupied as a homestead	Claims must be filed each year before April 1
Rhode Island	1867	S	Up to $1,000 of tangible real and personal property of veterans or widows may be exempt from taxation, and totally disabled veterans of World War I and II may claim an additional exemption of $1,000	Veteran must be a legal resident of Rhode Island. The exemption applies first to tangible property and then to intangible property
South Carolina	1949	S	Veterans with permanent total service-connected disability resulting in paralysis of legs and lower part of the body are exempt from State, county, and municipal property taxes	
Utah	1931	S	Property of veterans with disability between 25 and 100 percent is exempt up to $3,000 assessed value. The amount of exemption is the percentage disability times $3,000. Unmarried widows and minor orphans of veterans are granted the full exemption	
Vermont	1910	S	Veterans of Civil and Spanish-American wars and their pensioned widows are exempt from taxes on real and personal property valued up to $1,000. An additional exemption of $1,000 is granted to veterans having at least 50 percent disability. Veterans of World Wars I and II with 50 percent or more disability or widows of deceased veterans are exempt from taxes on real and personal property valued up to $2,000	
Wyoming	1876	S	Veterans of all wars from Civil to World War II and widows of deceased veterans are exempt from taxes on property valued up to $2,000	Veteran must be resident at time of entry into service. The legislature appropriated $1,800,000 for the biennium 1949-51 to reimburse counties for revenue lost

1/ State codes and session laws are the principal sources of these materials. Data as of August 1950.
2/ C = constitution; S = statutes.

receipts; the assessed value of exempt homestead properties was $394,711,222, or 19 percent of the total assessed value.8/ In 1948, the Mississippi Tax Commission transferred $6,456,608 to local governments as reimbursement for 296,334 homesteads with an assessed value of exemptions of $194,448,888.9/ Oklahoma in 1946 granted homestead exemptions to 333,771 individuals, and the assessed value of exempted property was $244,248,268, or 13 percent of total assessed value.10/ In 1948, Wyoming transferred $612,563 to the counties as reimbursement for exemptions on homesteads which had an assessed value of $14,526,143.11/

The effects of veterans' exemptions on assessed values and tax rates, similar to those on homesteads, are difficult to analyze. In 1948, Arizona granted exemptions to 16,401 veterans with an average assessed value of $917.62 and a total assessed valuation of $15,049,811.12/ In 1948, California exempted the property of 466,145 veterans who received an average exemption of $798. Of the total exempt assessed valuation of $500,316,354, veterans' exemptions amounted to $372,066,624, or 3 percent of the total assessed valuation.13/ Exempted property of servicemen and of the blind in Connecticut amounted to $89,553,642, or 2 percent of the total assessed value in 1947.14/ In the same year, Iowa transferred $1,583,422 to local governments for exemptions granted to 109,008 veterans.15/ During 1948 the assessed value of property subject to veterans' exemptions in New Hampshire was $17,570,934.16/ and in New Jersey $75,570,934.17/ The assessed value of veterans' exemptions in Wyoming during 1948 totaled $16,684,998 or 6 percent of the real and personal property that was locally assessed.18/

Effects of Exemptions

The effects of homestead exemptions in Minnesota between 1936 and 1944 are summarized as follows:

> In the first place, the law enforced a substantial reduction in taxes upon lower-valued, owner-occupied homes and farms. Secondly, the low rate of valuation given to homesteads appears to have retarded the delinquency and checked the forfeiture of such property. Third, the law apparently has encouraged home ownership and the construction of new homes for owner occupancy. These effects

8/ Louisiana Tax Commission. Biennial Report 1948-1949, p. 220.

9/ Mississippi Tax Commission. Property Assessments and Ad Valorem Taxes, Service Bul. 38, January 1950, pp. 20, 30, and 34.

10/ Oklahoma Tax Commission. Biennial Report July 1, 1946 to June 30, 1948, pp. 123-124.

11/ Wyoming State Board of Equalization. Biennial Report 1947-1948.

12/ Arizona State Tax Commission. Biennial Report 1946-1948, p. 47.

13/ California State Board of Equalization. Report, 1948, p. 57.

14/ Connecticut State Tax Commission. Assessment and Collection of Taxes, 1948. Report of the State Tax Commissioner. Public Document 48. Taxation Document 318. 1949, p. 57.

15/ Iowa State Tax Commission. Report, July 1, 1947 - June 30, 1948, pp. 181-183.

16/ New Hampshire State Tax Commission. Report, 1948, pp. 29-30.

17/ New Jersey Department of Treasury, Division of Taxation, Report 1948, p. 173.

18/ Wyoming State Board of Equalization. Biennial Report, 1947-48, p. 86.

> encompass more than mere tax advantage and involve social benefits of far-reaching consequence.
>
> The advantages of the homestead classification, nevertheless, were secured at a price . . . The shift in the burden of taxation from homestead to all other property contracted the property tax base and also served to accelerate the delinquency and forfeiture of marginal real estate. Resultant increases in rates of taxation have tended to minimize the original tax advantage to homestead property and make ownership of non-homestead property progressively less desirable.19/

It seems reasonable to assume that the effects of veterans' and homestead exemption statutes in other States are approximately the same as those in Minnesota.

19/ Hatfield, R. E., and Sulerud, A. C., Homestead Preference in the Minnesota Property Tax System, Natl. Tax Assoc. Bul., 1947, pp. 169-170.

Oregon Reports Completion of Study on Capital in Irrigation.- The study "Capital Used in the Development of Newly Irrigated Farms on the North Unit, Deschutes Project" has been completed. This study was conducted cooperatively by the Bureau of Reclamation and the Department of Agricultural Economics of Oregon State College. The purpose of the study was to ascertain the amount and adequacy of the capital and credit used in the development of individual farms on the North unit of the Deschutes Reclamation project in central Oregon.

The study was made in 1948 and covered 16 farms on which development was begun in 1945, 18 in 1946, 21 in 1947, and 5 in 1948. The area developed rapidly; 78 percent of the irrigable acres were developed in the first year and 93 percent by the end of 3 years.

The average capital invested by the end of 1948 was $206 per irrigable acre. This included $28 for purchase of land; $60 for land development and improvements; $80 for livestock, machinery, and other chattels; and $38 for living and operating expenses during the development period. This investment of $206 per irrigable acre put these farms on a going basis with an average of 88 percent of the irrigable land actually developed and with workable buildings, machinery, and livestock. In almost all cases, however, the settlers hoped to add to this investment, particularly improvements.

The average borrowings were $85 per irrigable acre. But this figure had been reduced to $61 by the time of the study. One-fourth of the settlers said they could have made more rapid progress with more credit but the progress actually made does not substantiate these statements.

This study did not show maximum credit use, as very few settlers were obliged to use credit to the maximum.

XUM

LIMITATIONS TO OBTAINING DEVELOPMENTAL CAPITAL IN AGRICULTURE

Harald C. Larsen

Considerably more developmental capital might be used advantageously in agriculture to increase the efficiency of farm units, to conserve land and other farm resources, and to develop more fully areas such as the Missouri and Columbia River basins. These improvements, conservation, and development would increase the real income of farmers and would make possible a higher level of farm living.

Many farmers are able to finance needed developments from their own resources or through existing facilities. They have enough liquid savings or they have sufficient equity in their farms to provide an adequate base for credit. But many farmers cannot raise such capital in adequate amounts or on terms and conditions suitable for their needs. In some instances, they cannot obtain enough credit because they have already borrowed up to the maximum permitted by lenders or the additional amount of available credit would not be sufficient to accomplish their purpose. In other instances, they may be able to borrow enough to meet their needs, but repayment conditions may not fit the expected future incomes, and other features may not be appropriate.

A large number of these farmers need to expand their resources for more efficient production. Some need to shift to more profitable farm enterprises. Others need to make major changes in their operations, such as conversion from dry-land to irrigation farming. Still others would benefit from conservation practices that require capital outlays. Many of these needs for developmental capital are of long standing, but a substantial part can be attributed to recent technological advances in agricultural production and to the higher prices that farmers must pay for new machinery and other facilities.

It is true that the actual demand for developmental capital may be considerably less than the undoubtedly substantial need for it. Unfortunately, many farmers are content to continue their operations on an inefficient basis if thereby they can avoid change. Others, who are not averse to change and would welcome an opportunity to increase their incomes, have neither the technical knowledge nor the managerial ability to profit from larger applications of capital to their operations. This lack is not necessarily a barrier to the successful use by them of developmental funds if technical advice and management services are made available to them. Moreover, there are many who need, want, and can successfully apply such capital. A considerable segment of agriculture, therefore, could be raised to a higher level of efficiency if funds were available for the purpose. This paper considers the limitations of current facilities and the possibilities of adapting the financial mechanism to make such funds more readily available to those farmers who need them.

What Is Developmental Capital?

As "developmental capital" does not necessarily convey a precise meaning to everyone, it should be given some prefatory consideration. The term as used here refers to funds that are to be invested in improvements yielding returns over a period of years and made for the purpose of enhancing the

efficiency of individual farms. Efficiency may be defined in various ways, but here it refers to maximizing the net income of the farm. Sometimes this may be better accomplished by a shift to another enterprise rather than by maximizing output per unit of input for the current enterprise. Developmental capital may be invested in land, farm machinery, and livestock, or in hired labor so long as these investments accomplish the developmental intent. It may be obtained through borrowing, through equity investments, or even from subsidies or gifts. Risk does not distinguish developmental capital from other forms. The risk in a particular developmental investment may be as high or as low as in investments made for any other purpose, as it depends mainly upon how the development is conceived, appraised, and carried out. It probably averages somewhat higher because returns may be far in the future and the problems connected with the new developments may be strange to the management.

Impediments to the Expansion of Equity Capital

Developments on a farm can be financed either through an increase in equity capital or an increase in debt. Worth-while developments can be financed through savings accumulated by the owner or through the purchase of a farm or an interest in a farm by an outside investor who is financially better able to improve it than is the seller. In either case, there are many impediments to the expansion of equity capital for developmental purposes.

A major limitation to more rapid progress in developing farms is the unequal ability of farmers to save. Although a large part of the developmental work on farms has resulted from the gradual "plowing back" of farm earnings, often those whose farms are most in need of development, have saved little and have the least ability to save. At the other extreme, many farmers who are able to save substantial amounts already have well-developed farms. Thus the savings of farmers, particularly those of the lower-income group, do not provide sufficient funds for making needed improvements.

The financing of farm developments with equity capital from nonfarm sources is also limited by the amount of the investment that is required. In order to buy a farm of any consequence and improve it, an "outside" investor must have thousands of dollars to invest, whether he proposes to pay for the farm entirely with cash or to buy it subject to mortgage. In addition, he should have a considerable technical knowledge of farming, and should be prepared to assume risks which often exceed those assumed when investing in corporate securities. Such investors are not numerous. Hence the development of farms is only occasionally financed in this way.

Even if an "outside" investor has bought a farm and is financially able to improve it, he may be discouraged from developing it because it will probably be operated by a tenant. In many instances, working arrangements between landlord and tenant are not conducive to the development of an efficient farming unit. The landlord may be unacquainted with farming or unwilling to make developmental investments unless he lives near the farm and can actively participate in its management. Even if he lives nearby, he may have neither the time nor the inclination to develop his farm. A tenant, on the other hand, may know what improvements are necessary but he may be unwilling to make the more permanent ones because his lease may run for too short a term and no

arrangements may have been provided for compensating him for his investments should he subsequently leave. This problem has been widely recognized.

Limitations to Borrowing

In addition to limitations to financing farm developments through equity capital, there are also limitations in the prevailing practices of extension of credit for these purposes.

Appraisal Standards.- One of these is that appraisal standards of many lenders do not reflect the future income potential of the farm which is likely to result from proposed developments. Too much emphasis is usually attached to the value of the real estate or to other security as it is constituted before improvements are started. For instance, if a farmer without a considerable preexisting equity should need capital to shift from a dry-land to an irrigated farm, he would have difficulty in borrowing it, even though there were no question as to the capacity of the farm, once irrigated, to earn an adequate return. Most appraised values are established on the basis of the real estate as constituted at the time of appraisal. For example, in a recently published appraisal manual a large institutional lender states that its policy is to base farm loans on normal agricultural values, but that these values should be consistent with normal incomes and perquisites for the farm under its present development.[1] In summarizing the factors that enter into what he terms basic and loan values, a prominent appraiser of farm real estate concludes that anticipations should not be considered.[2]

It is probable that many lenders will in practice go beyond the point indicated by these statements, particularly if they can control the disbursement of the loan funds or if the developments contemplated will soon take tangible form such as a new barn or other improvements of widely recognized utility. For instance, in its appraisal manual the Farm Credit Administration indicates a willingness to consider values of this kind provided similar developments have proved themselves in the area. The Farmers Home Administration also recognizes the importance of future capital developments. It grants loans large enough to cover the purchase price of a farm and the cost of approved improvements. In some instances lenders are willing to support developmental loans indirectly on a commitment basis. This permits borrowers to obtain temporary financing from another lender on the basis of a commitment to refinance the loan when developments have been completed. But this practice has been applied within narrow limits and by only a few lenders.

Regardless of these practices, a farmer who has a maximum or near-maximum loan under present standards may find it difficult to obtain additional credit for those developments that may not immediately become tangible security, even though the income added as a result of the improvements would make both loans easier to repay.

1/ Appraising Farms for Loans, Equitable Life Assurance Society of United States, 1948, p. 6.

2/ Bailey, Rex R. The Appraisal of Farms Operated under the Missouri Balanced Farming Program, Amer. Soc. Farm Managers and Rural Appraisal Jour., Vol. 12, No. 2, October 1948.

Some studies have been made that indicate the desirability of including future farm developments in appraising the amount of credit to be extended. A well-known study of bank credit for instituting soil conservation practices recommends that these costs be considered a justifiable addition to the value of the property.3/ According to a study of the application of capital to farms in Johnson County, Ill., "the money available for family living on typical farms can be approximately doubled during repayment of a loan at 5 percent interest for farm improvement purposes."4/ A life insurance company reports a satisfactory experience in lending for agricultural developments including the subdivision of large Texas tracts, the development of irrigation in Colorado, and others.5/

Maximum Loan Requirements.- A further limitation to borrowing for developmental purposes is to be found in the rule of thumb "loan to value" maxima. The Federal land banks are not permitted by statute to lend more than 65 percent of the normal agricultural value. National banks may lend up to 50 percent of the appraised value if the loan is to be paid back in a lump sum within 5 years, or up to 60 percent if the loan is to be amortized so that 40 percent will be repaid at the end of 10 years. Life insurance companies are limited by State laws to maximum loans of 50 to 66 2/3 percent of the appraised value. In a very large proportion of the cases these loan limits determine the amount of the loan.

The purpose of these restrictions is to limit the loan risks which a lender who deals with other people's money will accept. As such they seem justified, but they measure only indirectly and not very accurately the ability of the borrower to repay a loan and they often prevent loans which would greatly increase the debt-paying ability of the borrower.6/

Term of Loan.- Farmers have a relatively permanent investment in machinery, livestock, supplies, etc., yet credit extended for the purchase of most of these items is on a short-term basis. Even after several renewals, repayment of a loan is often required before the capital investment has had a chance to pay out. In effect, many farmers are required to amortize their investments in chattels at a rate which is excessive from the standpoint of the rate of depreciation, of obsolescence, or of replacement through the accumulation of a

3/ Francis, Darryl R. Bank Credit for Soil Conservation. Federal Reserve Bank of St. Louis, March 1947.

4/ Luttrell, C. B. The Use of Capital to Increase Farm Returns in Johnson County, Illinois. Illinois Farm Economics, Nov.-Dec. 1948.

5/ Edmiston, Henry H., and Carpenter, Harry R. Insurance Funds Help to Develop New Areas. The Eastern Underwriter, Part 2. The Life Insurance Salesmanship Edition, 1949.

6/ In some cases, a farmer who is just beginning to develop his business may have a promising income potential either from the farm itself or from an outside source. This latter factor was recognized in loans made by the Land Bank Commissioner as the prudent investment principle, but it was canceled when the authority of the Commissioner acting for the Federal Farm Mortgage Corporation to make new loans was not renewed. In other cases, farmers may have security for loan purposes but the entire income may be needed for farm and living expenses - hence there is no debt-paying capacity.

sinking fund. Too rapid liquidation of a loan early in the developmental stage often seriously retards farm developments and impairs the ability of a farmer to repay the loan later.

A similar difficulty arises in connection with the application of the amortization principle on long-term loans. When a loan is amortized under current practice, the periodic payments of interest and principal may be either large at the beginning, decreasing as the loan ages, or each periodic payment may be identical throughout the term of the loan. As developments and improvements in agriculture may take several years, and as returns from such developments accrue gradually, some method of deferring principal payments for several years, or of making initial payments small and increasing them on a graduated scale over several years, would be beneficial. It is perhaps somewhat inconsistent to require repayments of principal from a farmer while he is in need of additional capital to complete a desirable development.

Many farmers do not want their loans to run for long periods. Their financial condition is such that short-term loans can be repaid without jeopardizing needed developments. But others are not so fortunate. Some lenders are meeting this problem by offering "open-end" mortgages, or lines of credit whereby farmers can repay a part of their debt when conditions are favorable, or they may borrow up to the maximum when more funds are needed. It would seem that this practice should be greatly extended.

Additional difficulties arise because the loans to farmers are made by several lenders on various terms that may or may not dovetail with each other and with the farmer's income. In cases of major improvements, it might be more appropriate to consider the farm firm as an entity, not only in establishing the term of the loan so that maturities will be timed to available income, but in arranging other conditions of the loan.1/ If this were done, there would be only one appraisal, one loan, one interest rate, one term, and one method of repayment. The entire farm, its land, equipment, livestock, and other assets, whether currently available or obtained out of loan proceeds, could be used as the security for the loan.

Variable Repayments.- The fear of encountering a series of low annual incomes deters many farmers from planning improvements, and many investors from extending credit when they do not have ample physical assets to secure their loans. A true method of variable repayments whereby income in good years, whether or not those years occur first in sequence, may be used to make payments on debts in periods of low income would be a distinct advantage to the borrower.

These variable repayments, however, are seldom favored by lenders. They might be made more attractive through an insurance of mortgages whereby a temporary default in repayments by the borrower would be made good by the insurance fund, which would be reimbursed later when the farmer-borrower is able. A combination of these two practices is now being used by the Farmers Home Administration.

1/ In determining the income available for debt repayment, adequate allowance should be made for the accumulation of a sinking fund for replacement.

Loan Disbursements.- Disbursements of loans, similarly, should be on a flexible basis. As indicated earlier, many farm developments require capital inputs over a number of years. A farmer may not need to borrow the full amount of the farm development at the beginning, yet he will want to be sure that once the plan is put into operation the funds will be available as needed. Such a flexible-disbursement loan, or line of credit, would be an adaptation and expansion of the budgeted-loan principle already successfully used by production credit associations.

Suitability of Debt Instruments.- A significant deficiency in agricultural credit facilities is the restricted use which is made of a debt instrument that is standardized as to risk and is attractive to investors by reason of suitable size, maturity, and marketability. This general deficiency was recognized in the legislation that established the Federal land banks, and authorized them to issue individual Federal land bank bonds or to participate in the issuance of consolidated Federal land bank bonds. But these advantages should be available to borrowers from other lenders as well.

Investment factors such as standardization of risk, size of denominations, liquidity, and availability of market facilities are of growing importance because of the trends in the pattern of savings. These developments strongly influence the supply of funds available for certain types of investments. A significant trend has been the sharp rise in the amount of savings that provide life and health insurance, old age retirement and survivorship benefits, and that are placed in trusts, savings and loan association accounts, and bank accounts. This trend toward the institutionalization of savings greatly increases the demand for conservative investments, usually representing debt, that are standardized as to risk, readily marketable, available in large blocks, and that possess other desirable characteristics.

Some Problems of Adapting Credit Facilities

The adoption of loan standards that would permit the extension of developmental credit in adequate amounts is beset by numerous difficulties. One of these is the development of farm plans in sufficient detail so that lenders will have a basis for appraising the probabilities for future income. When a home builder obtains a construction loan, it is based upon a set of blueprints and specifications, usually drawn up by an architect. A similar blueprint of farm developments could be made by farm-management specialists. A farm-management service could be useful not only in drawing up these plans but, as in the case of the architect, in supervising their fulfillment.

A second difficulty is that of forecasting future incomes with sufficient accuracy to make them a sound basis for determining the amount of a loan. Forecasting future income is difficult; but it cannot be avoided, even in establishing an appraised value for existing land and buildings.

There are two major reasons for establishing a value on security: (1) To reflect future repayment capacity and (2) to determine the recovery value in the event of foreclosure. No one value will do both, so that there are appraisal procedures to establish several values. All lenders know that there are elements in value that do not reflect money income but do reflect personal

satisfactions. These elements are important to recovery value, but they produce no income with which to repay debt. On the other hand, a "current" or "normal" value has little relation to the selling price of the security in a period of depression, when most foreclosures are likely to occur. Increased attention to smoothing out broad swings in the national economy, general supports against disastrously low farm prices, and other programs to give greater stability to farm income, should make feasible a more direct approach to measuring the ability of a farmer to repay a loan. There is little point in establishing a separate recovery value. If the income capacity of the farm or farmer has been appraised correctly and a safety factor for unknown risks applied, the recovery value will be there regardless of temporary periods of low income or low land values.

A third difficulty in adapting credit facilities to the developmental needs of farmers results from the character of the lending institutions. Many lenders hesitate to make loans on which principal repayments will not begin for a number of years because of their own obligations. Some lenders obtain their loan funds from the sale of bonds, on which interest and principal payments must be met regularly; others, like banks and trust companies, obtain loan funds from trusts and accounts that are subject to call and on which regular interest must be paid. To a degree life insurance companies must have liquid investments that yield regular income in order to meet indemnities. Nevertheless, most of the lenders mentioned have granted loan deferments in the past and they are usually in a position to postpone principal repayments for developmental purposes.

Should developments of the type here envisaged be undertaken in a period when agricultural surpluses exist? In some respects, developmental capital would mitigate the surplus problem. It would enable some producers to shift to types of products not in surplus. It would reduce the costs of production for others, which in turn would make more of the production profitable at lower prices. At the same time it would eliminate many of the basic causes of soil mining and depletion as well as of poor housing and other inadequate facilities. As demand for agricultural commodities shifts and as technology advances, there will probably be further need for shifting capital resources on farms. This may require repeated additions of capital on some farms, and capital consumption without replacement, on others.

The long-run benefits of greater productivity through the use of capital are seldom questioned, yet there is a tendency to feel that at times the country is likely to produce at a rate in excess of the demand, particularly when price levels are inflated. Capital expansion on farms on an over-all basis should be given more encouragement in some periods than in others, as national agricultural programs should complement more general economic programs.

Conclusions

If the real income of farmers is to continue to expand, it seems necessary to increase the efficiency of many farms by providing more adequate amounts of developmental capital. Although many farm operators probably have sufficient capital for developmental purposes, many others are badly in need of additional resources which they are unable to obtain. This presents a problem of considerable importance, for which at least a partial solution can be found.

An attempt should be made to explore the possibilities of adapting the practices of existing lenders to these special capital needs of farmers. If the extension of developmental credit is to be feasible, it will require an expansion in the number of competent farm-management experts to provide adequate management services and supervision in addition to appraisal services. Institutional lenders such as large commercial banks and life insurance companies, for instance, might earmark loan funds and establish a farm-management service to supervise loans for this purpose. Smaller banks might cooperate in setting up an area loan fund and management service. This might also be done by production credit associations. To the extent that they are able to do so, lenders might give consideration to making one-package loans to those farmers who are in need of these services or to giving additional attention to a closer coordination of the various types of loans now under their jurisdiction. Loan services of the Farmers Home Administration might be adapted and expanded in this field.

Further consideration might be given to methods of making the debt instrument more suitable to the investors. A wider use of approved mortgages as collateral security for bonds of small denominations that are readily marketable and that carry flexible terms might make more capital available to agriculture at a lower interest cost.

A review of statutory or administrative regulations that limit the loans to a given percentage of the appraised value may reveal a method of making more developmental capital available to farmers and of protecting the investors at the same time. This method might include amendments to permit the present value of future income from developments to be included in the appraised value or the substitution of a maximum ratio of loan payments to prospective income instead of a maximum ratio of loan to the value of the existing collateral security.

Although it is probable that such changes in loan standards will take time, it seems clear that they might contribute considerably to agricultural efficiency. Moreover, they will contribute to employment of resources in other sectors of the economy if the country should be faced with another period of low economic activity, or if war should place great demands on agriculture for increased amounts of food and fiber with less manpower with which to produce it.

Farm-Mortgage Credit in Alaska.- According to the Farm Credit Administration, the Alaska Rural Rehabilitation Corporation with its 118 real estate mortgages outstanding in amount of $410,000 in the Matanuska area is the biggest holder of farm-mortgage debt in Alaska. However, ARRC is not a present source of mortgage credit because its funds were largely exhausted in establishing the Matanuska farm colony. The current payment status of the ARRC mortgages is only fair to good.

The Farmers Home Administration has made five farm-ownership loans for about $50,000 in the Territory. Only very limited farm-mortgage lending is done by commercial banks and other private sources. As of March 1950, no farm loans of any kind had been insured by the Veterans Administration and no applications had been received.

XUM

HAIL INSURANCE ON GROWING CROPS IN THE UNITED STATES [1]

John C. Ellickson

Beginning in 1880 and developing slowly until 1910, hail insurance on growing crops reached its first peak in 1919, when about 28 million dollars was paid in premiums on about 560 million dollars of insurance. With the drop in crop values and farm income following 1919, the volume of crop-hail insurance declined, reaching a low point in the early 1930's. By 1942 it was again up to the 1919 peak, and by 1946 insurance in force reached a billion dollars. From 1947 to 1949, American farmers paid more than 50 million in premiums each year for about 1 1/4 billion dollars of insurance against hail damage to their crops. This was more than 10 times that for the low point of the early 1930's and about 5 times the 1935-39 average. As crop values increased there was more to be insured, and with rising incomes more farmers felt that they could afford to pay premiums to protect themselves from possible hail loss.

Types of Companies

Crop-hail insurance is written by specialized crop-hail mutuals, general-writing mutuals which also offer other lines of insurance, stock fire companies, and State-operated hail insurance departments (sometimes referred to as State "funds").

Mutuals

The practices of the first crop-hail mutuals were modeled after those of the farm fire mutuals. They wrote only crop-hail insurance, usually in one or a few counties, carried no reinsurance, and did not attempt to build up reserves. At the end of the hail season the total amount of loss was determined and an assessment was levied to pay both losses and operating expenses. If losses were in excess of any practicable assessment, available funds were distributed on a pro rata basis; that is, payments on losses were scaled down by the ratio of net assessment income to losses incurred.

But the probability of widespread crop damage from hail creates a risk for the insurer that is quite different from that created by fire on segregated farm buildings. It is more like the risk associated with windstorms, where losses may be light in some years but extremely heavy in others. Therefore it is necessary that there be a spread of premium income over a period of several years (larger reserves) in the case of both crop-hail and windstorm insurance. The effect of this difference in the nature of the loss risk is indicated by the fact that only 15 of the 120 crop-hail mutuals organized before 1920 have survived, whereas most of the farm fire mutuals that have been organized are still functioning.

1/ The totals used in this article are substantially complete for the years 1947 through 1949, although for a few companies it was necessary to estimate insurance in force from premiums received. Rough estimates have been made of total volume for the years 1920 through 1946. U. S. Dept. Agr. Bul. 912, "Hail Insurance on Farm Crops in the United States," was the source used for all years before 1920.

In the light of this experience, the operating practices of many companies that write crop-hail insurance were modified. Some of the changes are listed below, not necessarily in order of importance or time of adoption:

(1) In years of less than average losses a surplus was accumulated.

(2) Reinsurance was carried against excessive loss to the company in any one season.

(3) The risk was spread over as large an area as possible, usually not less than an average-sized State.

(4) Other lines of insurance were added to help meet overhead expense and reduce the variability of annual loss ratios (amount of losses incurred divided by the amount of premiums received).

No record has been found of the failure of a mutual company, or even of prorated losses, when all of the above practices were followed. A number of mutuals following only the first two or three practices listed above have operated successfully for more than 40 years and are now in excellent financial condition. In contrast, 6 of the 18 specialized crop-hail mutuals that operated in 1948 with low reserves and no reinsurance were inactive in 1949.

Since 1920 a number of general-writing mutuals, which wrote crop-hail insurance from the start, have been organized. Other long-established mutuals have added crop-hail to their lines of insurance, and several crop-hail mutuals that were formerly specialized have added other lines of insurance. All of these companies have built up reserves and, with one exception, they carry reinsurance if crop-hail premiums account for as much as one-sixth of total income.

Stock Companies

Crop-hail insurance is also written as an additional line by a small number of the stock fire companies. They usually spread their liability over several States by a process of transferring to, and accepting risks from, other stock companies and they also carry "catastrophe" reinsurance against unusually heavy losses in a particular year. Premiums from crop-hail insurance make up only a small fraction of their total income. These safeguards combined with their statutory reserves permit them to pay all hail losses promptly without great strain on their total resources. Most of the stock companies pool their crop-hail experience as basic information for determining rates; they also cooperate in adjusting losses.

State Hail Departments

Six of the 10 Plains States have passed laws authorizing crop-hail insurance operations through State hail departments. The high point of their combined operations was reached in 1919. Some facts in the history of these departments appear in table 1.

TABLE 1.- State crop-hail insurance: Period of operation and amount of insurance in force, 6 States, in selected years, 1911-49

State	Year			Insurance in force	
	Began operations	Ceased operations	Maximum insurance in force	Maximum	In 1949
				Million dollars	Million dollars
North Dakota .	1/ 1911	2/	1919	86.9	26.6
Montana . . .	1917	2/	1918	8.1	3.4
Nebraska . . .	1918	1941	1919	12.0	---
South Dakota .	1919	1932	1919	39.5	---
Oklahoma . . .	1920	1921	3/	3/	---
Colorado . . .	1929	2/	1930	1.4	.3

1/ Completely reorganized in 1919.
2/ Operating in 1950.
3/ Not available.

The 4 State hail departments that were operating in 1919 carried about 139 million dollars insurance, or more than a third of the total for the entire country. By 1934, the insurance written by State funds had declined to 2 million dollars. Only 3 State departments functioned during the years 1947-49 but their insurance had increased to an annual average of more than 30 million dollars. Even after this increase, the insurance carried by State departments made up only a tenth of the total volume of all classes of insurance carriers in the 10 Plains States, and less than 3 percent of the national total.

In recent years, none of the State hail departments have equaled their early volume of business and three have been discontinued. All of the departments have returned a very high proportion of their premium income to farmers in the form of payments for losses. A large part of the savings in operating costs of these departments has been due to their plan of paying only nominal amounts for the sale of insurance, but this has also limited their volume of business. Moreover, various services are performed by State and county officials at small cost to the hail department.

The State hail departments have been slow to adjust the level of their rates in the light of loss experience, or to vary them sufficiently by zones. Therefore there has been a general tendency for their business to come increasingly from counties in which loss ratios have been highest. Stated in another way, farmers in these counties recognized a bargain in insurance when they saw it, so that they did not have to be "sold." All of the systems have been forced to prorate their losses at some time during the period of operations; but the North Dakota department paid off the remainder of its 1923 claims in 1924, and the Montana system eventually paid all of the loss claims incurred since 1919. The State hail department in North Dakota carried reinsurance for 1 year. No other State department has carried reinsurance for any period.

Volume of Insurance by Types of Companies

The first mutual crop-hail company was organized in Connecticut, in 1880. From that year until about 1915 similar companies carried most of the crop-hail insurance. Since then stock companies have been in the lead. The proportion of total risks now carried by the three types of carriers varies greatly by areas - the State departments operate in only three of the Plains States and the mutuals are strongest in the North Central States located east of the Plains States. Table 2 shows the amount of insurance carried in 1948 by the three major classes of companies, by areas.

TABLE 2.- Crop-hail insurance: Amount in force and percentage of total, by class of insurance companies, by areas, 1948

State or area	Stock companies		Mutual companies		State departments		Total	
	Mil.dol.	Per-cent	Mil.dol.	Per-cent	Mil.dol.	Per-cent	Mil.dol.	Per-cent
Ten Plains States 1/ . .	238	69.8	70	20.5	33	9.7	341	100.0
Iowa and Minnesota . .	109	37.6	181	62.4	0	0	290	100.0
Illinois . . .	64	23.7	206	76.3	0	0	270	100.0
Five other North Central States 2/ . .	20	19.6	82	80.4	0	0	102	100.0
Five tobacco States 3/ . .	110	86.6	17	13.4	0	0	127	100.0
Three North-western States 4/ . .	88	91.7	8	8.3	0	0	96	100.0
Twenty-two other States	32	94.1	2	5.9	0	0	34	100.0
United States	661	52.5	566	44.9	33	2.6	1,260	100.0

1/ The two tiers of States from Montana and North Dakota to New Mexico and Texas.
2/ Indiana, Michigan, Missouri, Ohio, and Wisconsin.
3/ Georgia, Kentucky, North Carolina, South Carolina, and Virginia.
4/ Idaho, Oregon, and Washington.

Trends by Areas and by Types of Companies

Changes in the volume of crop-hail insurance have not been uniform over all parts of the country. In the 10 Plains States about 370 million dollars of crop-hail insurance was carried in 1919, or two-thirds of the United States total of about 560 million. By 1948, farmers in these States had only 341 million dollars of insurance, or about 27 percent of the national total of 1,260 million. The amount of risk carried by the State funds decreased from 139 million dollars in 1919 to 33 million in 1948. Only 2 of the 65 specialized crop-hail mutuals organized before 1920 are now operating. An additional 26 specialized mutuals were organized by 1948, only half of which were functioning by 1949. The few specialized mutuals in these States that built up reserves and carried reinsurance have been comparatively successful. The only general-writing mutual domiciled in these States, that carries crop-hail risk, does so outside this area.

Iowa and Minnesota are the leading States in number of crop-hail mutuals organized. But of the 43 that had been organized by 1919, only 13 were still operating in that year, and only 8 of these remained by 1949. Meanwhile 11 additional mutuals had been organized and 5 of these are still in business. About half of the surviving companies also write other lines of insurance. Farmers in these 2 States had nearly a fifth of the total crop-hail insurance in force in 1919, and about 23 percent in 1948.

The largest increase in volume of crop-hail insurance has occurred in Illinois. This has been chiefly because of the efficient operation of a mutual company sponsored by a national farm organization. This company in recent years has carried more crop-hail risk than any other company in the United States. At the same time, other companies also have greatly increased their business in Illinois, so that about a fifth of all the crop-hail insurance in the country is now carried in that State.

In the remaining five North Central States, the volume of crop-hail insurance increased from about 33 million dollars in 1919 to 102 million in 1948. Five of the nine crop-hail mutuals organized in these States before 1919 are still operating, together with three of the five organized since then. Four other general-writing mutuals now domiciled in these States also write crop-hail insurance in the area.

The most recent large increase in volume has been in the tobacco-growing States, where insurance increased from 14 million dollars in 1919 to 127 million in 1948. Most of this insurance is written by the stock companies. Only two specialized crop-hail mutuals were organized in these States and both were out of business by 1919. Four general-writing mutuals, domiciled in other States, also carry some crop-hail insurance in this area.

A substantial increase in crop-hail insurance has occurred in recent years in the Northwestern States. The volume amounted to 18 million dollars in 1919 and increased to 96 million by 1948. A large part of the increase occurred in Washington State. No specialized crop-hail mutuals have been organized in this area, although a general-writing mutual fire company wrote crop-hail insurance there for a few years in the early 1920's and another, sponsored by a farm organization, began doing so in 1946.

TABLE 3.- Crop-hail insurance: Amount in force and percentage of total by areas, 1919 and 1948

State or area 1/	Amount in force		Percentage of total	
	1919	1948	1919	1948
	Million dollars	Million dollars	Percent	Percent
Ten Plains States	370	341	66.2	27.1
Iowa and Minnesota	106	290	19.0	23.0
Illinois	3	270	.5	21.4
Five other North Central States	33	102	5.9	8.1
Five tobacco States	14	127	2.5	10.1
Three Northwestern States	18	96	3.2	7.6
Twenty-two other States	15	34	2.7	2.7
United States	559	1,260	100.0	100.0

1/ See footnotes to table 2, p. 35.

In the 22 remaining States, the volume of crop-hail insurance increased from 15 million dollars in 1919 to 34 million in 1948. Only 3 specialized crop-hail mutuals have been organized in these States, all in Connecticut, and only one is still functioning. Three general-writing mutuals, domiciled in other States, also do considerable crop-hail business in the area.

Variation in Crop Losses

Hail occurs with severe thunderstorms and in those sections of the country where such storms are rare, as in parts of the Pacific Coast States, hail damage to crops is negligible. The amount of crop-hail insurance carried in relation to the total value of farm crops is probably smaller in California than in any other State. Hail damage in the northeastern quarter of the country is also low; in a number of States the average appraised loss from hail has been less than 1 percent for the last 30 years. At the other extreme, in some northeastern Colorado counties the average appraised loss is more than 10 percent for the last 20 years, and in some other sections of the Great Plains the loss rate appears to be about as high. Even within comparatively small areas there appear to be important local differences, the nature of which is not yet fully understood. It might be necessary to have accurate records for as long as a century to demonstrate statistically that two adjacent localities have significantly different hail loss rates on the same crops.

In addition to the geographic variations in hail loss rates, there are important differences in loss rates among crops. Shade-grown (cigar-wrapper) tobacco is more susceptible to hail damage than are other types of tobacco, but all types of tobacco apparently are more vulnerable than are small grains. Some vegetables and fruits also appear to be highly vulnerable, but in most areas not enough insurance on such crops is written to provide a stable experience base. After severe losses on fruit in some areas, several companies no longer quote a rate on it.

Some of the mutual companies and the three State hail departments now operating keep a detailed record of their own experience, but the only source of Nation-wide data is the Crop-Hail Insurance Actuarial Association. This organization was set up by the stock companies for the purpose of pooling their crop-hail experience as a basis for making rates. Their records are the most detailed and accurate available on crop-hail insurance. The map in figure 1 is based on the premium rates charged on small grains in 1950 by the stock companies. The average loss rate may be assumed to be roughly half the premium rate, because the stock companies have paid out in losses about half of their premium income from crop-hail insurance. As more records on loss costs[2] are accumulated, it may be expected that further local rate adjustments will be made.

Compared with the stock company rates charged in 1919, there is a tendency for the lower rates to be reduced and for the higher rates to be increased. On small grains the rates varied from $2.50 to $16 per $100 of insurance in 1919, as compared with a range of $1.50 to $18.75 in 1950.[3] The rates have been reduced in almost all of the area east of the Mississippi River and generally raised in the high-risk area extending from the Panhandle of Texas to western North Dakota and eastern Montana.

Variations in Losses by Years

In addition to the differences in hail loss costs by crops and by areas, there is great variability between years. The records of a number of companies in the last 25 years, with a large volume of insurance well distributed over a State, show that annual loss costs have ranged from as low as one-fifth to nearly three times the average. The loss costs most frequently reported by these companies were between 50 and 75 percent of their averages. The higher averages were the result of infrequent but very high losses. This variability in loss costs was one of the chief causes of failure of the many mutuals that attempted to operate on a post-loss assessment basis. Although 15 or 20 years of experience may be sufficient to establish average loss costs for a State, even 30 or 40 years of records do not appear to be enough for a county.

A Sound Base for Premium Rates

It is more difficult to establish an equitable base for crop-hail insurance than, for example, fire insurance. Even when fire insurance premium rates are inequitable as between dwellings and barns, the inequity between farmers is partially canceled by the fact that most farmers insure both classes of property. In addition, the average premium for fire insurance is much lower than that for crop-hail insurance, perhaps a tenth as much, so inequities are less important. Furthermore, carriers of fire insurance on segregated farm buildings are not subject to widespread loss from the same event, and therefore fluctuations in their annual loss costs are relatively small. Under these

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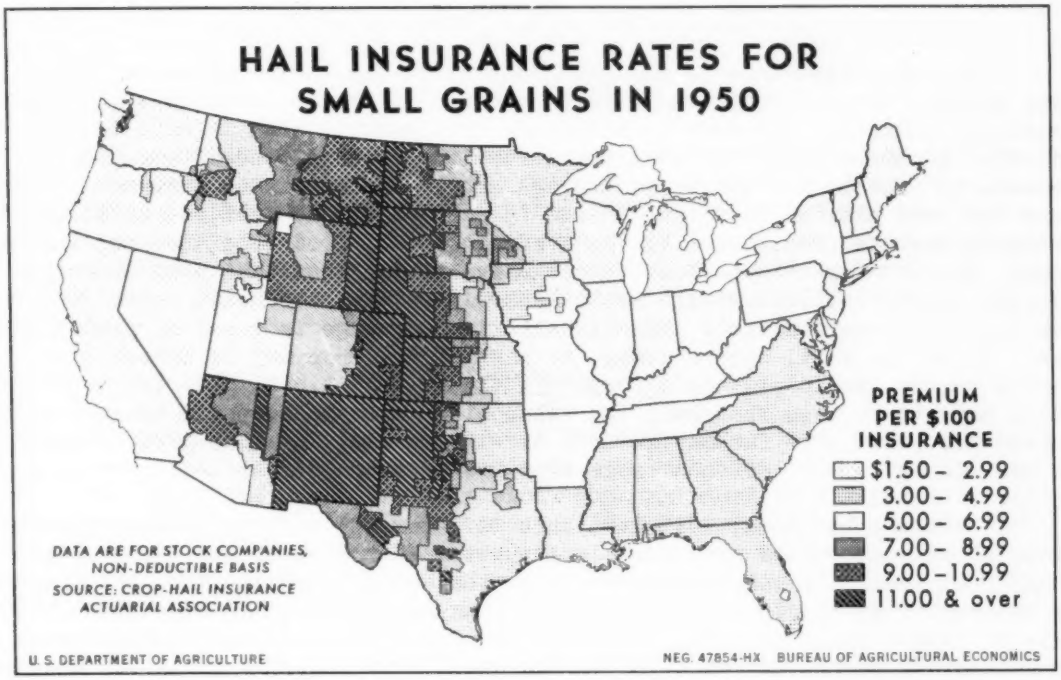
2/ "Loss cost" refers to losses incurred as a percentage of insurance in force.

3/ In States where crop-hail policies are written only under a deductible clause, for comparative purposes the rates were adjusted to a nondeductible basis.


HAIL INSURANCE RATES FOR SMALL GRAINS IN 1950
PREMIUM PER $100 INSURANCE
$1.50 - 2.99
3.00 - 4.99
5.00 - 6.99
7.00 - 8.99
9.00 - 10.99
11.00 & over
DATA ARE FOR STOCK COMPANIES, NON-DEDUCTIBLE BASIS
SOURCE: CROP-HAIL INSURANCE ACTUARIAL ASSOCIATION
U. S. DEPARTMENT OF AGRICULTURE
NEG. 47854-HX BUREAU OF AGRICULTURAL ECONOMICS

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conditions, a few years' experience will indicate the probable average loss cost for fire insurance, whereas a much longer period is necessary for crop-hail insurance.

A constructive first step in obtaining crop-hail statistics would be to keep an accurate record of total risk and appraised losses, by crops and by counties. The combined experience of most of the stock companies during the last few years has been tabulated in this way by the Crop-Hail Insurance Actuarial Association, and a number of States now require this information from all companies. The use of the experience of all companies would maximize the insurance base upon which rates could be calculated (by crops and by counties) and thereby reduce chance fluctuations in loss costs. Using available records for earlier years would also reduce the period of time necessary to build up a significant series of loss costs.

In addition, reports from all companies on directly written business (before reinsurance) in each State, would make it easier to assemble area and national totals. The usual method of reporting to insurance commissioners on a net basis (after reinsurance) reflects the traditional emphasis of the State insurance departments on the financial condition of insurance companies rather than on operating results. An allocation of operating costs by kinds of insurance, even if arbitrary as to such items as overhead, would permit data to be shown in the annual reports that would be useful to the managers and policyholders of any company in judging its comparative efficiency. Moreover, a long-time record of the annual fluctuations in loss costs by classes of companies would provide a better basis for estimating the range of possible losses that should be covered by reinsurance and also the equitable premium cost of it.

Federal All-Risk and Crop-Hail Insurance

All-risk insurance is designed to protect the basic investment in a crop against virtually all unavoidable risks. Unfavorable moisture and temperature conditions are much more serious crop hazards than is hail damage. All-risk insurance must be taken out before the crop is seeded, when the most reasonable expectation is for an average crop. The amount of insurance per acre has been limited to not more than 75 percent of the average yield, and recently was also restricted to the average cost of producing the crop in the area. If the crop is abandoned before harvest, the insurance protection is further reduced to reflect the fact that only part of the usual costs of production have been incurred. Because all-risk coverage is based on production from the entire unit, severe damage to part of the crop may be offset by high yields on the remainder. As a result of these limitations, all-risk coverage often amounts to less than half the value of an average crop and in such cases, unless the yield were further reduced by other causes, no loss payment would be made if up to half of an average crop was destroyed by hail.

On the other hand, hail insurance is generally written on an existing crop, often with better than normal prospects. Coverage by one company is usually limited to a value somewhat below that of an average crop, but there is ordinarily no objection to taking out insurance with other companies when this is justified by prospective yield and prices. The amount of loss payable is determined before harvest, and on the usual hail contract it is the amount of insurance multiplied by the appraised percentage of the crop destroyed.

These differences emphasize the objectives of the two types of insurance. Protection against hail is incidental in one, but the chief purpose of the other. Hail insurance is often used as a supplement to all-risk insurance. With respect to insuring crop values above production costs, the sales literature of one of the older mutuals correctly states that the two types of insurance "are not competitive. . . . There is a definite need in the farmers' insurance portfolio for both."

Bibliography on Social Security.- A bibliography dealing with the inclusion of farm people under social security issued by the Bureau of Agricultural Economics in 1949 contains no reference to the amendment (P.L. 734, approved August 28, 1950) covering farm workers under the Social Security Act. The bibliography is entitled "Social Security and Related Insurance for Farm People," and was issued (November 1949) as Library List No. 50. Copies may be obtained free upon request to the Division of Economic Information, Bureau of Agricultural Economics.

RECENT TAX CHANGES AND THEIR SIGNIFICANCE TO AGRICULTURE

Tyler F. Haygood

This paper is a review of current trends in taxation that are of importance to farmers, and an evaluation of these changes as they affect the farmer's position in the economy. Some general considerations respecting taxes are included as statutes for raising revenue apply to all taxpayers, including farmers. Changes in property taxes, income taxes, automotive taxes, and others are discussed. Also the trends and significance of the public debt are briefly considered.

Property Taxes [1/]

Historically, the property tax has been the chief levy paid by farmers. For many years it was the financial mainstay of both State and local governments. Not until the World War II period, when extraordinarily large expenditures were made by the Federal Government, did the income tax supersede the property tax in importance to farmers (table 1). This was because farmers' incomes rose, income tax rates were raised, and exemptions were lowered. In 1950, property taxes again headed the list of taxes paid by farmers because they continued to increase while farmers' incomes and the taxes thereon declined.

All State governments have in the past levied taxes on property. But with the fall in real estate values and personal incomes in the 1930's, property tax delinquency rose sharply and a number of State governments withdrew from the field. They added new taxes or raised existing rates on those already levied and left the property tax for the use of local governments, which have always been more restricted in their revenue sources. During World War II, some State governments obtained an excess of revenue over expenditures, and in some cases the property tax was abandoned. By 1950, 22 State governments [2/] levied little or no tax on property, and in 1951, Texas will no longer collect such a tax for general purposes.

This trend away from the use of property taxes by State governments, however, has not been of sufficient importance to cause a steady decrease in revenues collected from this source. Total receipts from farm and nonfarm property taxes levied for State purposes alone were 328 million dollars in 1932, 271 million in 1942, and 279 million in 1948. The amount declined to 276 million dollars in 1949, but has risen to 305 million (preliminary) in 1950. As the number of State governments imposing this tax has declined, these figures suggest that assessed values or tax rates, or both, have risen

1/ Property taxes include those levied on real and personal property. They do not include taxes on special classes of property such as that owned by public utilities, nor do they include special assessments. Total State and local property tax figures are taken from Census reports. Farm property tax data are Bureau of Agricultural Economics figures.

2/ Arizona, Arkansas, California, Connecticut, Delaware, Florida, Illinois, Iowa, Michigan, New Hampshire, New York, North Carolina, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Vermont, and Virginia.

TABLE 1.- Estimated property and Federal income-tax payments of farmers, 1941-50

Year	Property-tax payments[1]	Federal income-tax payments[2]
	1,000 dollars	1,000 dollars
1941	445,665	15,000
1942	456,696	50,000
1943	460,566	425,000
1944	472,483	[3] 275,000
1945	495,104	[3] 725,000
1946	554,181	720,000
1947	616,621	760,000
1948	705,161	960,000
1949	765,847	791,000
1950	823,209	[4] 675,000

1/ Amounts are the levies of the preceding year. In about two-thirds of the States, however, such levies are payable in the year following the year of levy. Data for 1946-50 are based partly on preliminary estimates.
2/ Amounts are those payable primarily on the previous year's income.
3/ The "pay-as-you-go" system of income-tax collection adopted in 1943 was mainly responsible for the lower estimate of taxes payable in 1944 and the much higher amount in 1945.
4/ Revised.

somewhat in States retaining this source of revenue. It is also evident that the steady increase in total farm real estate and personal-property levies, as shown in table 1, is to be found in local government property taxes. Unfortunately, available data concerning farm taxes are not separable into State and local taxes.

Local governments in this country have always relied heavily upon property taxes. There is a high degree of diversity in these taxes, which are administered more or less autonomously by 16,000 incorporated places, 3,000 counties, 19,000 towns and townships, 109,000 school districts, and 8,000 special districts.[3] Farmers pay property taxes chiefly to the last four types of these governments. When in the 1930's there was considerable delinquency in the payment of property taxes in many regions,[4] some cities were able to impose new taxes on bases other than property, but governments in rural areas have relied largely on property as the basis of taxation. This condition has continued until the present time, even State and Federal aids to local governments have increased funds available for public activities.

Total taxes on local property paid by farmers and others are by no means small, and they are steadily rising in volume, both because of increased valuations of property and of increased rates. In 1932, these taxes were 4.4

3/ 1942 Census of Governments.
4/ Delinquency averaged some 20 percent of all levies for 1932-33.

billion dollars and in 1942, 4.3 billion. But the aggregate increased to 4.6 billion dollars in 1945, to 4.9 billion in 1946, and to an estimated 6.0 billion in 1950.

Cities now collect about 80 percent of their tax revenue from property owners, school districts about 95 percent, and all other types of government, including counties, nearly 100 percent. These facts explain why any program designed to improve the tax position of farmers must give high priority to an improvement of property taxes.

Other trends in property taxation, particularly those concerned with improvements in administration, are of importance to farmers and other taxpayers. During the last decade, a large number of studies of tax problems were made in which property taxes received considerable attention. A re-examination of property-tax problems has seemed desirable for reasons that have been summarized as follows:

> The postdepression inequalities, added to slipshod assessment practices which continued to prevail in much of the country, have left property taxation in a state of ill-repute. In many places, assessment figures have been copied from year to year unchanged. In other places, assessors have increased valuations only as the individual parcels of real estate have sold. The practice of adjusting valuations of property sold and not of other parcels, of course, results in far greater inequality than the extremely bad custom of copying tax rolls unchanged from year to year. Another arrangement prevailing even more widely involves acceptance of taxpayers' personal property value declarations.5/

Several fresh attempts to solve these property-tax problems have been made during the last few years. Considerable effort has been made to develop alternate sources of revenue for State and local governments in order to reduce the pressure on property levies. Many States have developed or enlarged aids to localities out of funds obtained from nonproperty taxes. Also, the Federal Government has extended its grants to State and local governments through certain school, highway, and special-purpose contributions. Many local governments, particularly those in urban and semiurban communities, have obtained authority from the States to levy other taxes.

Special attempts to improve assessment procedures have been made where property taxation is retained as a major revenue source.6/ Manuals have been worked out for State-wide use, thus making farm lands as well as urban properties subject to uniform assessment procedures. Aerial photography is used rather widely, particularly by private assessing companies which provide their services to governments on a fee basis.

5/ Martin, James W., Round-Up of Property Tax Problems. Paper delivered at annual conference of National Association of Tax Administrators, June 1950, p.6.

6/ Tax Policy for May-June 1950 is devoted entirely to recent improvements in assessing procedures in California, Colorado, Illinois, Iowa, Kentucky, Minnesota, Nebraska, Nevada, Oregon, and Pennsylvania.

An approach has been made also through programs designed to improve the personnel charged with administration of property taxes, especially at the county level. The introduction of civil service examinations for assessors, the training of employees in annual schools for assessors, the issuance of periodic news bulletins to local administrative personnel, and the improvement of compensation to employees are illustrations of such programs.

Unfortunately, programs intended to improve property taxation have not been of uniform quality. Islands of inaction in the reform of property tax administration exist at various points over the country. There is no quantitative way to measure accomplishments in this field, although it appears certain that deterioration of the situation in some States during the last few years has been more than offset by improvements in other States. But much remains to be done with respect to property taxation, particularly in rural governments, and in those jurisdictions where personal property still is part of the tax base.

Income Taxes 1/

Income taxes are now levied by (1) the Federal Government, (2) more than half the States, and (3) some local jurisdictions (mostly cities) in the United States. These taxes sometimes apply to individuals and sometimes to corporations, or both. By far the most important one to farmers is the Federal tax levied on the incomes of individuals. In this country, income taxes have gone through many changes, and trends of these taxes as levied by the various levels of government do not parallel each other. Furthermore, farmers are affected differently by the various types of income taxes.

Although the Federal income tax was firmly established during World War I, farmers were little affected. Income-tax rates were relatively low, exemptions were high, and the average cash income of most farmers was low enough to escape the tax. These conditions were even more prevalent during the depression years of the 1930's. But early in the World War II period, farmers' incomes rose sharply, tax rates were made steeper, and exemptions were lowered.

It is estimated that in 1941 total income-tax payments of farmers to the Federal Government amounted to about 15 million dollars (table 1). They increased rapidly until a peak was reached in 1948, when payments on the previous year's farm income approached a billion dollars. Thereafter, net income of farm operators declined (although gross cash receipts increased), and with lower tax rates in effect, income-tax payments of farmers dropped to an estimated 791 million dollars in 1949 and to 675 million in 1950.

Other changes that affect farmers have been made in the Federal income tax in recent years. For example, an extra exemption is now permitted each taxpayer and his or her spouse who are 65 years of age or blind. Thus in an extreme case, a taxpayer could claim up to three exemptions for himself and three more for his wife (3,600 dollars in all). These additional allowances

1/ This section deals with net income taxes; gross income (gross receipts) taxes are included under sales taxes which are discussed in the section "Other Taxes."

are said to be of special significance to farmers, as the rural population includes a disproportionately large ratio of older persons.

Farmers may benefit from another recent change in the Federal income tax law. Certain losses may now be carried back 1 year and forward 5 years before final tax liability is determined. The previous law permitted 2 years' carry-back and 2 years' carry-forward, making a total period of 5 years for adjusting income for tax purposes. Farmers and farm organizations, among others, have sought these or similar changes for many years.

Considerable effort has been exerted to effect changes in the Federal income tax status of farm cooperatives and to obtain special treatment of certain cattle sales in the determination of capital gains and losses. No important changes, however, have been made.

Successful income taxes imposed by State governments began as far back as 1911 in Wisconsin when the prevailing opinion seems to have been that income taxes were impracticable as a source of State revenue because of jurisdictional and other administrative difficulties. The administrative difficulties, however, have not prevented widespread adoption of the tax. Several States introduced income taxes during the depression years of the 1930's, mainly to increase total revenue, but partly to relieve the severe burden of the property tax. Personal exemptions generally have been higher than those in the Federal law, and rates have been consistently lower. Hence even in years of high incomes, farmers have not paid large amounts of the tax in any of the States. As mentioned before, agricultural incomes rose during the World War II period, and more State governments added the tax to their revenue systems. Still, farmers probably have never paid more than 40 or 50 million dollars in any year.

At the present time, about 30 States impose an individual income tax, but the extension of its use is uncertain. During World War II, State expenditure programs were curtailed because of manpower and material shortages, and surpluses developed in some States. West Virginia and South Dakota abandoned their income taxes in 1943. Virginia raised its rates in 1948 but lowered them 2 years later. In 1950, Colorado and Maryland reduced rates, but Kentucky increased them. In general, however, there has been in recent years a notable effort to make State income-tax laws more compatible with Federal statutes, particularly with respect to the definition of income, exemptions, and deductions.

The use of income taxes by local governments is of recent origin, and although estimates of payments made by farmers are not available, they would seem to be small. Local income taxes are important as an innovation, however, and may grow in significance if they prove useful and adaptable to local governmental organization. Ordinarily, they must be provided for by specific State legislative act and so far, except for nearly 200 smaller cities in Pennsylvania, only the larger cities such as Louisville and Columbus have made use of them. Municipal income-tax rates are low and usually they are stated as a fixed percentage of income in contrast to a progressive schedule of rates now generally used by both Federal and State governments. A local government income tax offers one possibility of relieving farm-property taxpayers of at least a part of their tax burden, although legal barriers and administrative difficulties are yet to be overcome in many States.

Automotive Taxes

Automotive taxes paid directly or indirectly by farmers to Federal, State, and local governments are numerous. Their total volume has no doubt been increasing, although exact estimates of all these taxes are not available.[8/] The Federal gasoline tax was first introduced in 1932 and the amount of farmers' payments in that year is estimated to have been nearly 9 million dollars. In 1933, the amount paid by farmers rose to 23 million dollars but dropped to 19 million the following year. Since that time, however, there has been a steady increase to 85 million dollars in 1949. At present, the tax rate is 1 1/2 cents per gallon sold, whether the fuel is used for highway or nonhighway purposes.

The first gasoline tax imposed by State governments appeared in 1919. Its use as a source of revenue has been extended, however, and currently it is found in all State tax systems, although the bases used, and the rates imposed, vary considerably. In most States, farmers are exempt from payment of the tax if the fuel is bought for nonhighway purposes. But as a rule, gasoline used by farmers on public highways is subject to the full tax rate. In some States an exemption certificate may be obtained in advance and in others a rebate of all or part of the tax may be granted upon application of the taxpayer.

Unlike the Federal gasoline tax, State gasoline taxes paid by farmers declined both in the depression of the 1930's, and in World War II. It is estimated that farmers paid a total of 63 million dollars in 1930, 62 million in 1931, and less than 57 million in 1932 and 1933. After rising to 82 million dollars in 1941, the total declined to 73 million in 1943. In 1949, the amount paid had risen to more than 155 million dollars including that for tractor fuel oil.

In 1949, farmers paid more than 113 million dollars for automotive licenses and permits, issued mostly by the States. That figure compares with nearly 45 million dollars in 1933 and 98 million in 1942, the highest war year. These figures include the amounts collected by the Federal Government in wartime "use" taxes from 1942 through 1945.

Some local governments collect gasoline taxes and some require licenses for locally owned automobiles, but for the most part farmers are not subject to such payments.

Thus, estimated automotive taxes paid by farmers in 1949, exceeded 354 million dollars. This total includes automobile and truck licenses, drivers' permits, and Federal and State gasoline taxes on fuel used by automobiles, trucks, and tractors. General property taxes paid on farm vehicles in some States are omitted, as they are included in the property tax payments shown in table 1.

The rationing of gasoline during World War II, the restrictions on the production of farm-used vehicles (trucks, tractors, automobiles, and other

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8/ Such estimates as are available may be found in the Appendix of this volume. Note explanations of the data presented.

automotive equipment) and the movement of farmers from rural areas have been significant factors in the trend of gasoline consumption on farms.

Other Taxes

Farmers pay a number of other taxes for which estimates are not available. Although their totals probably are not nearly so great as the totals previously listed, the aggregate of these miscellaneous levies would doubtless be many millions of dollars annually.

Most important of these is the general sales tax, which commonly is based upon the sale or use of tangible personal property. The retail sales tax is a good revenue producer, as was shown even in the early 1930's, when the rural State of Mississippi introduced it. During the depression, its use was extended to other States and it became associated with adverse economic conditions. In the 1940's, however, the States of Connecticut, Florida, Maryland, Rhode Island, and Tennessee (and the District of Columbia) were added to the list and at present 29 States make use of this source of revenue.

Laws relating to sales taxes contain a variety of provisions of particular significance to farmers. Isolated sales by farmers ordinarily are exempt, but sales of major farm products may or may not be exempt. Sales of food for home consumption are not taxed in half a dozen States, and farmers, like other taxpayers, benefit from this provision insofar as they purchase food products. But because farmers produce a considerable part of the food they consume, it may be that a relatively greater proportion of their purchases is subject to the tax. On the other hand, farmers do not ordinarily pay taxes on many items of supply and equipment, such as fertilizer or spray materials, although the nonfarmer would pay the full tax.

The importance to farmers of State general sales taxes lies partly in the amount of direct payments made and in the relief obtained from the burden of other taxes. It has been said that the burden of general sales taxes rests relatively more heavily upon urban than upon rural people. If that is true, the introduction of these taxes may lighten the load of alternative levies on farmers. The rate applies to all taxable sales whether the taxpayers' incomes are high or low. Therefore, this form of tax is more of a burden in periods of low income than is the net income tax. The property tax, on the other hand, is more nearly "fixed" as a cost to farmers than either the net income or the general sales tax, as it bears no close connection with income or with personal needs whose satisfaction may be deferred (and hence untaxed) for a time.

The Federal Government levies many special excises but no general sales tax, although pressure for the latter has been great in some quarters. Many of the Federal excises are imposed on manufacturers' goods and are paid only indirectly by consumers.

Hundreds of cities throughout the country now levy gross receipts (sometimes called "gross income") taxes. This development has made greater headway in California and Pennsylvania, although individual cities in such States as

New York and Louisiana now have authority to levy such taxes. This tax affects farmers relatively little unless their purchases are made in stores that are subject to the tax. The influence would be felt if rural governments subsequently adopt the plan.

The Social Security Amendments of 1950 are of importance to certain farm workers in the Old-Age and Survivors' Insurance Program for the first time.9/ Beginning January 1, 1951, employers of designated farm workers are subject to a tax equal to 1 1/2 percent of the wages paid, and the farm workers affected will pay an equal amount in taxes. The coverage is extended to approximately 650,000 "regularly employed" farm workers. A new legal definition of "agricultural labor" is expected to add another 200,000 agricultural workers, such as employees of farm cooperatives and commercial handlers of fruit and vegetables.

The poll tax and a few others are paid by farmers to the appropriate level of government, but they are relatively unimportant from the fiscal standpoint.

Farmers' Taxes and the Public Debt

Farmers' taxes may be heavily influenced by the amount of outstanding public debt. The Federal Government now has a "fixed" cost of 5 to 6 billion dollars for interest and other debt service. Taxes must be levied to meet these costs. Borrowing by State and local governments is subject to many limitations as to purpose, amount, and terms. The governments must cope with these rigidities in their tax programs. In many cases, real estate is regarded as "security" for State and local government debt and is taxed a specific amount for debt service. Other taxes are not earmarked in the same way.

At the end of the calendar-year 1949, the gross amount of outstanding debt of Federal, State, and local governments was 286.9 billion dollars.10/ This was about 10 billion dollars higher than the figure for a year earlier, but not nearly so high as the amount of 309.2 billion reached at the end of the peak year of 1945.

The Federal part of the debt at the end of 1949 amounted to 266.1 billion dollars compared with 258.0 billion a year earlier and 292.6 billion for the peak year of 1945. Combined State and local government obligations attained a new peak of 20.9 billion dollars in 1949, a figure 2.2 billion higher than that reached a year earlier, but not much greater than a previous high point of 20.2 billion in 1940 and 1941. Total State debt in 1949 was about a fourth that of local governments.

In the aggregate, most public debt has been incurred during war periods. Governments, however, have borrowed for other purposes than fighting wars. On the Federal level, byproducts of wars such as veterans' benefits, economic aid

9/ A more extended discussion of these amendments may be found elsewhere in this volume.

10/ Debt figures are derived from Survey of Current Business for October 1950, page 10. Federal debt figures include obligations of all Federal agencies and are gross amounts at the end of calendar years.

to foreign countries, and growing domestic programs have been important. State governments have used borrowed funds to make large expenditures for highways, improved public institutions, veterans' bonuses, and housing. Outlays by local governments for schools, roads, hospitals, health and sanitation facilities, parks and playgrounds, and houses have contributed to the volume of debt in many instances.

These public activities affect farmers, both directly and indirectly. Farmers are affected by the taxes they pay, and by the benefits they receive from public services. No effort is made here to evaluate the costs and returns to rural people from governmental activities but it is safe to say that many expenditures made from borrowed funds have greatly increased the economic well-being of farmers and, in turn, their level of living.

Summary and Conclusion

In recent years all levels of government have been faced with the problem of meeting increasing costs and of keeping abreast of demands for more and improved public services. These demands have been in addition to requirements for wars which affect all levels of government, although in varying degree.

In contrast to developments of the depression period of the 1930's, few new taxes were introduced in the 1940's. Most of the so-called new levies have been tried out by one or more jurisdictions in past years. General and special excises as well as net and gross income taxes have long been familiar in Federal or State tax structures, although their use by local governments is of relatively recent origin.

Farmers are seriously interested in the tax changes that are made in the various revenue systems. There was a time when most farmers paid few taxes directly, except those levied against real estate or personal property. During World War II, however, Federal income-tax payments of farmers reached a high point and surpassed the volume of their property levies. In very recent years, there has been a slump in farm income and a consequent reduction in the amount of income taxes paid by farmers, but a continuing growth in the total volume of taxes paid by farmers has been noted. Farmers' taxes are more burdensome when chief reliance of government is placed upon one inflexible tax such as the property levy, than when a flexible tax system is developed. Some of the State governments have abandoned use of the property tax in favor of other sources of revenue, and there is now a noticeable tendency for certain local jurisdictions to experiment with different taxes that could be used to relax pressure on their historical source of revenue - property levies.

Taxes not paid directly by farmers have been largely ignored in this paper. Nevertheless, the indirect effects upon farmers of taxes, like Federal excises which are levied on certain manufactured articles and paid by manufacturers, can be highly significant because they almost certainly affect the prices paid by farmers. Furthermore, it is now widely recognized that taxes are no longer mere revenue raisers; they are being used directly and indirectly to assist society in reaching a variety of economic and social objectives.

FARM-MORTGAGE RECORDINGS RISE SHARPLY IN FIRST HALF OF 1950

The amount of farm mortgages recorded in the first 6 months of 1950 is estimated at 872 million dollars, or 12 percent more than for a like period a year earlier. Most of this increase occurred during the second quarter of 1950, when recordings were 17 percent more than for the corresponding period in 1949. - The amount in each of the first two quarters exceeded that for any other corresponding quarter since the refinancing programs in the mid-thirties stimulated an unprecedented volume of new loans.

This increase was the result of a 9-percent rise in the number of loans recorded and a 3-percent increase in the average size. The average size of loan was $4,570 for the first half of 1950 compared with $4,430 in 1949 and $2,270 for 1937-40 (table 1).

All lender groups, except individuals, shared in the rise. The increase was 49 percent for miscellaneous lenders, 18 percent for both life insurance companies and the Federal land banks, and 15 percent for commercial banks. Loans recorded by individuals declined 3.4 percent. For all lenders except the Federal land banks the increase in recordings over the corresponding period a year earlier was larger in the second quarter of 1950 than in the first quarter.

Compared with a year earlier, the average size of loans recorded in the first 6 months of 1950 for individuals and life insurance companies changed little. The entire change in loans recorded for these lenders was because of a change in number of loans. For commercial banks and miscellaneous lenders, the increase in loans recorded was the result of both greater numbers and larger average size. The average size increased 6 percent for commercial banks and 4 percent for miscellaneous lenders (table 1).

The proportion of total recordings made by each lender differed somewhat in the first half of 1950 from that of the first half of 1949. The percentage recorded for the Federal land banks increased from 12 to 12.6 and for commercial banks from 27.2 to 28.0. Loans recorded for life insurance companies increased from 20.8 percent to 22.0 percent, whereas recordings for miscellaneous lenders increased from 6.3 percent to 8.4 percent. In contrast, the percentage recorded for individuals dropped from 33.7 to 29.0.

The largest percentage increases in recordings occurred in the South Atlantic, South Central, and Mountain States (fig. 1). No one lender group is responsible for this sharp rise. The miscellaneous group of lenders showed the largest percentage increase - their recordings more than doubled in many of these States. The largest absolute increases were in the loans of the Federal land banks and life insurance companies, where increases for the States in the South Atlantic and the East South Central regions averaged between 35 and 57 percent. Substantial increases for these lenders also occurred in the East North Central, West North Central, and Mountain regions, but these increases were partially offset by a decline in recordings for individuals.

TABLE 1.- Number, amount, and average size of farm mortgages recorded by principal lender groups during selected periods, 1937-50

NUMBER

Lender	Average 1937-40	1947	1948	1949		First half 1950
				Total	First half	
	Number	Number	Number	Number	Number	Number
Federal land banks and Federal Farm Mortgage Corporation 1/	23,690	31,841	32,243	39,260	19,657	23,648
Individuals	145,256	129,407	126,336	118,640	63,815	61,343
Commercial banks	108,513	138,726	124,581	118,116	62,892	68,381
Insurance companies	24,656	28,311	29,697	30,202	16,801	19,835
Miscellaneous	26,685	20,035	20,140	23,133	12,312	17,677
Total	328,800	348,320	332,997	329,351	175,477	190,884

AMOUNT

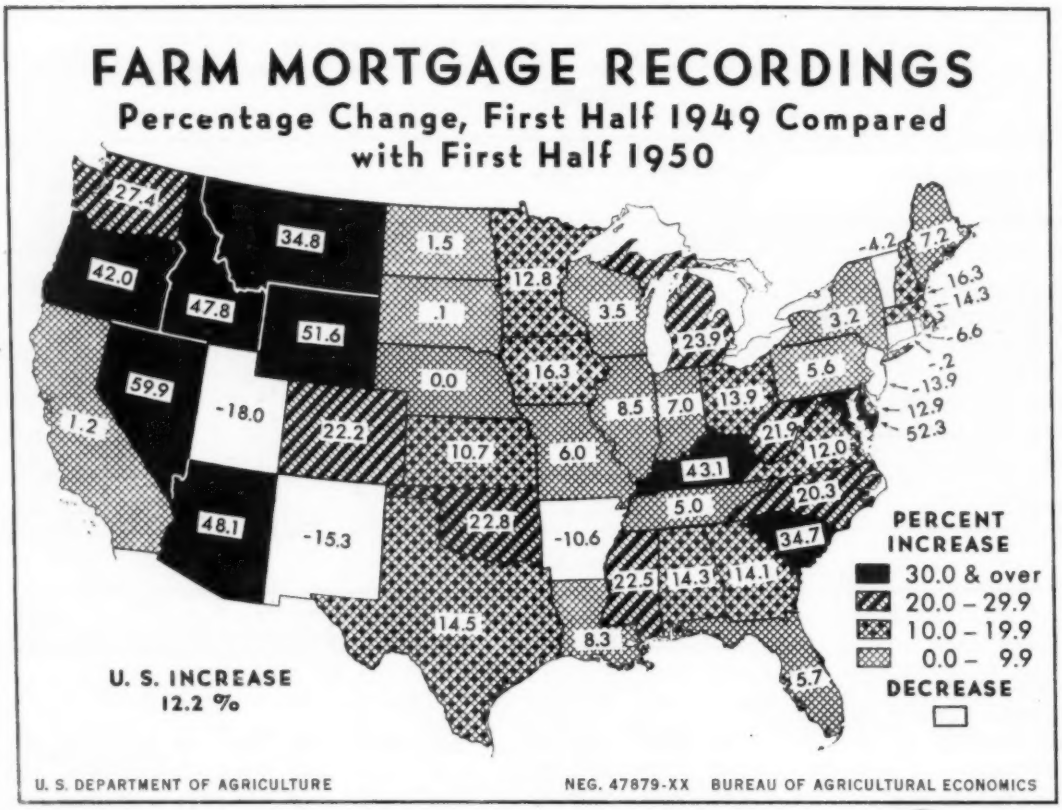
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
Federal land banks and Federal Farm Mortgage Corporation 1/	90,484	147,627	148,591	180,644	92,951	109,991
Individuals	237,315	485,720	498,710	461,735	261,930	253,000
Commercial banks	215,096	487,092	436,395	396,466	211,420	243,872
Insurance companies	137,308	230,882	259,154	276,929	161,991	191,858
Miscellaneous	65,394	88,819	84,195	92,767	49,367	73,674
Total	745,597	1,440,140	1,427,045	1,408,541	777,659	872,395

AVERAGE SIZE

	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
Federal land banks and Federal Farm Mortgage Corporation 1/	3,820	4,640	4,610	4,600	4,730	4,650
Individuals	1,630	3,750	3,950	3,890	4,100	4,120
Commercial banks	1,980	3,510	3,500	3,360	3,360	3,570
Insurance companies	5,570	8,160	8,730	9,170	9,640	9,670
Miscellaneous	2,450	4,430	4,180	4,010	4,010	4,170
Total	2,270	4,130	4,290	4,280	4,430	4,570

1/ Loans of the Federal Farm Mortgage Corporation were made on its behalf by the Land Bank Commissioner. Loans made jointly by the Federal land banks and the Land Bank Commissioner are considered as one loan.

Farm Credit Administration.



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It is difficult to explain this sharp rise in mortgage recordings. The distribution by lenders or by States provides few clues. The large percentage increase for the miscellaneous lenders in the South may reflect a greater use of real estate credit in connection with purchases from merchants, machinery dealers, etc., or it may be a funding of production credit into real-estate-secured mortgages in contemplation of lower prices of farm commodities which did not actually materialize. The fact that mortgage releases in some areas also increased somewhat in the first 6 months of 1950 compared with a year earlier suggests that the rise in recordings may be related to expanded refinancing operations for some lenders. As late as March 1, 1950 there was no indication of an increase in the number of land transfers, so this could hardly be a major factor, at least during the first quarter. The outbreak of the Korean War occurred too late to have had any material influence on the trend of recordings before July 1, although it may be an important consideration in the second half of 1950.

FARM-MORTGAGE DEBT SHOWS FURTHER RISE IN FIRST HALF OF 1950

A preliminary estimate of the mortgage debt on the Nation's farms showed a further rise of about 5 percent in the first half of 1950. This increase

brought the total to nearly 5.7 billion dollars on July 1. The rate of increase during the first 6 months of this year appears to be about equal to that of the like period in 1949 but the absolute increase is probably greater - nearly equal to the amount of increase recorded for the last full calendar year. This reflects the fact that the increase in the last half of 1949 was much smaller than in the first half. Such a pattern may not be repeated in the last half of 1950. It is too early to appraise the influence of the Korean conflict, and the economic controls, that may result on the trend of this debt.

In the first 6 months of 1950, mortgage recordings were 12 percent larger than for the similar period a year earlier. Most of this increase was the result of second-quarter recordings, which were 17 percent larger than for the same period in 1949. For both the first and second quarters of 1950, the amount recorded exceeded that for any like period since the refinancing programs of the middle thirties. This very high rate of recordings in the first and second quarters of 1950 may portend a somewhat greater rise in the debt than occurred last year. (Note the discussion of farm-mortgages recorded, p. 50.)

Among the various farm-mortgage lenders, life insurance companies had the highest rate of increase in outstanding loans during the first half of 1950. On July 1, 1950, this lender group is estimated to have held mortgage loans and contracts totaling nearly 1.3 billion dollars, or 9 percent more than on January 1, 1950. On the basis of these estimates, life insurance companies on July 1 held 22.6 percent of the total farm-mortgage debt. This is the largest proportion ever held by them, not excepting the late 1920's when their total holdings exceeded 2 billion dollars.

Commercial banks also held a near-record proportion of the total farm-mortgage debt on July 1, 1950. Outstanding farm-mortgage loans of insured commercial banks increased about 3.7 percent during the first half of 1950. This gave to them 16.2 percent of the total, which may be compared with 16.6 and 16.4 on January 1, 1948 and 1949, and their previous record of 16 percent just before World War I. The proportion of the total farm-mortgage debt held by the Federal land banks and the Federal Farm Mortgage Corporation declined from 17.8 percent on January 1, 1950, to 17.4 percent on July 1, 1950. This occurred despite a 3-percent increase in the loans held by the Federal land banks in the first half of that year.

The amount of outstanding farm-mortgage loans held by the Federal Farm Mortgage Corporation declined about 13 percent during the first 6 months of 1950. On July 1 of this year the Corporation held only a little more than 50 million dollars in such loans.

Loans held by individuals and miscellaneous lenders are estimated, on a preliminary basis, to have risen about 4.5 percent during the first half of 1950. The trend in recordings indicates that individuals had not expanded their farm-mortgage holdings as much as have miscellaneous lenders. The expansion for this latter group appears mainly in the South and West and it may indicate an increased use of real estate credit for production purposes.

The amount of loans held by the Farmers Home Administration showed little change - principal repayments just about offset new mortgage-loan activity. As of July 1, 1950, the FHA had insured mortgage loans held by other lenders totaling nearly 22 million dollars. These loans are held largely by insurance companies and commercial banks.

PERCENTAGE DISTRIBUTION OF MORTGAGE LOANS MADE AND HELD BY LIFE INSURANCE COMPANIES

A recent analysis by the Institute of Life Insurance shows a percentage distribution of farm-mortgage loans of life insurance companies outstanding at the end of 1948, and loans made during the first half of 1949 by size and type of mortgage. The importance of insurance companies as a source of farm-mortgage credit makes this analysis of their mortgage investments especially interesting.

TABLE 1.- Percentage distribution of life insurance company mortgage loans by size and type of loan

OUTSTANDING AT END OF 1948

Size of mortgage	Nonfarm individual homes		Nonfarm multifamily dwellings		Nonfarm commercial properties		Farm properties		Total	
	No. Pct.	Amt. Pct.	No. Pct.	Amt. Pct.	No. Pct.	Amt. Pct.	No. Pct.	Amt. Pct.	No. Pct.	Amt. Pct.
Under $5,000	45	26	25	2	11	1/	56	21	44	13
5,000 - 14,999. . .	53	69	38	9	24	3	37	46	50	35
15,000 - 34,999. . .	1	4	15	8	24	7	6	19	3	7
35,000 - 99,999. . .	1/	1/	13	18	25	18	1	9	2	10
100,000 - 499,999. . .	1/	1/	8	37	13	32	1/	4	1	18
500,000 - 999,999. . .	1/	1/	1	13	2	14	1/	1	1/	7
1,000,000 and over . . .	1/	1/	1/	13	1	26	1/	1/	1/	10
Total	100	100	100	100	100	100	100	100	100	100
Percentage of this type to total . . .	80	41	5	21	3	29	12	9	100	100

MADE DURING FIRST HALF OF 1949

Under $5,000	27	11	10	1	4	1/	28	9	26	6
5,000 - 14,999. . .	71	83	42	6	21	3	56	47	66	46
15,000 - 34,999. . .	2	6	22	8	29	8	14	27	5	9
35,000 - 99,999. . .	1/	1/	14	13	28	20	2	11	2	8
100,000 - 499,999. . .	1/	1/	9	29	15	35	1/	4	1	14
500,000 - 999,999. . .	-	-	1	15	2	12	1/	2	1/	6
1,000,000 and over . . .	-	-	1	28	1	22	-	-	1/	11
Total	100	100	100	100	100	100	100	100	100	100
Percentage of this type to total . . .	79	46	4	24	3	19	14	11	100	100

1/ Less than 0.5 percent.
Based on reports from 115 United States life insurance companies.
THE TALLY, Institute of Life Insurance.

UNITED STATES SAVINGS BONDS

During the first 8 months of 1950, the volume of United States Savings Bonds (Series E) estimated to have been sold to farmers was nearly 23 percent less than in the first 8 months of 1949.1/ Redemptions (of A through E bonds) were 12 percent higher in the 1950 period than in the 1949 period. At these rates, redemptions were exceeding sales by about 100 million dollars a year. However, accruing interest, at an annual rate of about 120 million dollars, and a slight excess of sales over redemptions for Series F and G bonds were offsetting this tendency for the value of bonds held by farmers to decline.

Farmer purchases of United States Savings Bonds have been declining gradually since 1947. In the first half of 1950, purchases fell about 20 percent below the level of purchases during the first 6 months of 1949. In this period, farm income was less favorable than a year earlier and expenditures for both farm and home continued large. However, it is estimated that the amount of bonds cashed by farmers during the first half of 1950 was only 6 percent above the cashings of the first half of 1949.

The Korean war brought an immediate, sharp change in the volume of United States Savings Bonds bought and cashed by farmers. In July and August 1950, the total amount of bonds cashed was 31 percent greater than in July and August of 1949. Purchases of bonds dropped off further after the war started, and from the middle of July (the end of the bond drive) to the beginning of September, purchases were 41 percent less than in the corresponding period of 1949. This increased liquidation of bond holdings and curtailment of bond buying were undoubtedly associated with the rapid rise in expenditures for both production and consumption goods which occurred at that time.

Although the tendency of farmers to reduce their bond holdings was widespread there was considerable variation from area to area. The Corn Belt and the Great Plains were regions where the decrease in sales and the increase in redemptions of United States Savings Bonds in the early months of the Korean conflict appeared greatest. In the Corn Belt, redemption of A-E bonds was about 50 percent greater in July and August of 1950 than during the corresponding months of 1949. Bond sales to farmers in this region between mid-July and September were estimated to have been 48 percent less in 1950 than in 1949. In the Great Plains, redemptions increased 41 percent and sales decreased 60 percent between these corresponding periods of 1949 and 1950. In the Northeast on the contrary, redemptions during the period immediately following the Korean situation were less than 1 percent higher than in the comparable months of 1949 and sales of bonds to farmers, although off 30 percent, declined less than the average for the United States. The 14-percent decrease in bond sales in the Appalachian region was the smallest for the Nation.

1/ The trend in sales and redemptions of United States Savings Bonds to farmers (Series A-E) is based on the trend of total sales and redemptions of such bonds in 618 selected agricultural counties.

FARM REAL ESTATE DEVELOPMENTS

After increasing more or less continuously since the beginning of the war, farm real estate values declined during most of 1949. But by March 1950, values had again turned upward, and by July 1 the United States index of average value per acre (1910-14 = 100) had increased to 172. This recovery brought values to the level of a year earlier but they were still 3 percent below the peak of November 1948.

The greatest strength in land values during the 4 months ended July 1, 1950, was shown in Minnesota, Iowa, Missouri, South Dakota, and Illinois, where the index reached new highs. Compared with a year earlier, values on July 1 were higher in 21 States, lower in 22 States, and little changed in the other States. The East and West North Central and the West South Central regions showed average gains of 2 percent, but the Mountain and Pacific regions declined 2 and 7 percent, respectively. Declines in scattered States in the eastern third of the country ranged from 2 percent in New York and Kentucky to 7 percent in South Carolina.

Following the outbreak of war in Korea, land values were further strengthened. By October 1950, values had risen to near the peak levels of November 1948. The largest increases since July 1950 apparently have been in the Corn Belt and Great Plains. In the Northeastern States, farm real estate values appear to have been strengthened the least.

Despite the increase in values that has occurred recently in many areas, there has been no substantial change in the volume of farm sales. Although the demand for farms by investors and farmers has risen, the slightly higher prices have caused no increase in the number of farms offered for sale.

NON-REAL-ESTATE DEBT SITUATION

Non-CCC Loans

During the year ended June 30, 1950, non-real-estate debt of farmers to the principal lending institutions (excluding loans held or guaranteed by the Commodity Credit Corporation) increased 5 percent. This is about the same annual rate of increase that has prevailed since January 1949, when the post-war credit boom began to slow up. For the 3 years preceding 1949 the average annual increase was 17 percent. By June 30, 1950, the non-real-estate debt of farmers held by these lenders was 3,375 million dollars, 85 percent above that of June 30, 1945, about the end of the war.

Data from insured commercial banks and the federally sponsored agencies indicate that every State except North Dakota had an increase in the

non-real-estate debt of farmers between June 1945 and June 1950. In that State a slight decline resulted from heavy liquidation of old emergency crop and feed loans and other loans of the Farmers Home Administration that had been carried over from the depression. Current loans, as reflected by activity of banks and production credit associations, rose sharply in that State as they did elsewhere. The largest postwar increase of 131 percent occurred in the East North Central region, whereas the smallest rise, 58 percent, was in New England.

During the year ended June 30, 1950, the largest increases in non-real-estate debt (excluding CCC loans) occurred in Connecticut and Iowa, where they were 37 and 24 percent, respectively. Decreases, all of them 5 percent or less, occurred in 13 States. By regions, the West South Central and Pacific were the only ones in which debt declined. This is the first annual decrease (other than seasonal) shown by the West South Central region in the postwar period. The Pacific region began its decline in 1949.

Insured commercial banks, with almost a 7-percent rise, accounted for most of the increase in non-real-estate farm loans of the principal lending institutions during the year ended June 30, 1950. Bank loans increased in all except 11 States. They rose 76 percent in Connecticut and nearly 25 percent in Iowa, Nebraska, and Florida. Some of this increase, especially for Connecticut and Florida, may have resulted from an increase in the number of banks insured. Declines of 5 percent occurred in Oklahoma, Texas, and California. Loans of production credit associations increased less than 1 percent for the United States, and Federal intermediate credit bank discounts for lenders other than PCA's declined 5 percent. Outstanding non-real-estate loans of the Farmers Home Administration were not quite 5 percent larger on June 30, 1950, than a year earlier.

During the first half of 1950 the expansion of credit was restrained by the less favorable price prospects, acreage restrictions, and the fact that some of the more urgent demand for capital improvements and farm machinery had already been satisfied. High production costs, however, resulted in continued heavy credit requirements for many farmers. Probably the most outstanding influence during this period was the boom in consumer durable goods that apparently affected all sectors of the economy, farm as well as nonfarm. A relatively large increase in non-real-estate farm loans of banks may indicate the importance of consumer loans in their portfolios. Production credit associations, which usually provide consumer credit only in connection with production credit, experienced a much smaller increase in outstanding loans.

The latest available data on total non-real-estate loans to farmers held by all the major lending institutions are as of June 30. Since then the Korean situation has stimulated the use of credit by farmers. Lending activity of the production credit associations since June may be indicative of that for all important lenders in the period immediately following the outbreak in Korea. In July, the volume of new PCA loans was 20 percent greater and in August it was 24 percent greater than in corresponding months of 1949. The increase over last year in the number of new PCA loans made in July and August was 14 and 11 percent, respectively.

Since June the demand for credit for consumer purchases, which already was high, has been greatly increased. Also, there has been renewed interest in the purchase of farm machinery and building materials which were scarce during the war. Demand for production capital has been further stimulated by the belief of many people that agricultural prices will rise and that acreage restrictions will be relaxed. Production costs have increased. In the Midwest, heavy purchases of feeder cattle at high prices have contributed to credit expansion.

CCC Loans

On July 1, 1950, loans to farmers held or guaranteed by the Commodity Credit Corporation totaled 824 million dollars compared with 884 million outstanding a year earlier. New loans made to all types of borrowers in the United States during the year ended June 30, 1950, as reported by CCC, totaled 1,988 million dollars, or 181 million less than the previous year (Appendix table 13). Factors contributing to the lessened price support activity during this period were a slight decrease from 1948 to 1949 in crop production and a lower dollar-support price on many commodities. Also, market prices for the 1949 cotton crop were substantially above those for the 1948 crop.

The volume of cotton loans made during the year ended June 30, 1950, was not much more than half the volume made the year before. CCC loans on wheat, however, were 27 percent greater. The volume of new loans made during the year ended June 30, 1950, was distributed by commodities as follows: Wheat, 33 percent; corn, 25 percent; cotton, 22 percent; grain sorghums, 5 percent; and miscellaneous crops, 15 percent. The West North Central and West South Central regions accounted for 1 1/4 billion dollars, or 63 percent of all CCC loans made in this year. In the New England and Middle Atlantic regions, these loans amounted to less than 1 percent of the United States total.

FEDERAL CROP INSURANCE

Experience with Federal crop insurance has been much more favorable since 1946 than it was earlier. In recent years indemnities paid as percentages of premiums collected have been more closely related to annual crop conditions than had been true in prior years. Indemnities amounted to less than premiums for all crops insured during 1948 and for all crops insured during 1949 except wheat and cotton (table 1).

The FCIC experience as a whole was favorable during 1947 and 1948, but not for 1949. However, for the 3-year period 1947-49, total indemnities paid on all insured crops amounted to considerably less than total premiums collected. During one of these years (1947) the insurance was offered Nation-wide, and during the other two years (1948 and 1949) it was offered on a trial basis in selected counties. Indemnities paid, by crops, are not yet available for 1950.

TABLE 1.- Federal crop insurance: Indemnities paid as percentage of premiums collected, by programs and by years 1/

Year	Wheat	Cotton	Flax	Corn	Tobacco	Dry edible beans	Multiple crops	All crops combined
	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent
1939	164							164
1940	151							151
1941	168							168
1942	134	173						149
1943	172	198						182
1944	2/	2/						2/
1945	45	383	60	165	79			248
1946	53	344	182	83	41			180
1947	64	113	64	221	100			81
1948	58	43	51	17	43	29	6	53
1949	147	197	61	16	66	65	16	133

1/ Wheat, cotton, and flax insured nationally through 1947, and on a trial basis in selected counties in 1948 and 1949. All other crops insured on a trial basis to date.

2/ No program in effect.

Comparative operating data for the 1949 and 1950 crop years are shown in table 2. Some expansion occurred in 1950 in the number of counties in which insurance was offered, particularly in the case of multiple-crop insurance; but it was somewhat less than the maximum permitted by the amended legislation (PL 268, August 25, 1949). Participation increased from an average of 419 insured farmers per county in 1949 to 492 in 1950. Few changes were made in the 1950 or are contemplated in the 1951 contracts, as the 1949 contracts proved to be satisfactory in most respects. For that reason, some attention is given in the remainder of this report to a review of major changes and improvements that have been made in FCIC contracts in recent years. Primary emphasis is placed on those features that may have received less attention than they deserved in previous issues of this publication.

Major Changes and Improvements in Contracts in Recent Years

Multiple Crop Insurance

The multiple crop insurance contract probably is the most outstanding improvement put into operation by the FCIC in recent years. Introduced in 2 counties in 1948, it was operated in 7 in 1949, and in 55 in 1950. In 1951, it may be offered in as many as 100 counties. This contract was designed

particularly for use in areas in which farm income is not derived chiefly from one crop. Under the contract, the insurance for a farm is the total of the coverages for all insured crops based on established dollar coverages per acre and the acres planted. When the dollar value of the production of all insured crops based on the prices set forth in the contract falls below the farm coverage, the difference is paid to the farmer as an indemnity.

TABLE 2.- Federal crop insurance: Selected operating data for 1949 and 1950

Program and year	Counties in which offered	Farmers insured	Proportion of eligible farmers insured	Maximum liability 1/	Premiums	Indemnities
	Number	Number	Percent	1,000 dol.	1,000 dol.	1,000 dol.
Wheat:						
1949	199	58,881	21	82,897	7,718	11,320
1950	283	84,917	21	2/	8,342	2/
Cotton:						
1949	52	26,667	16	26,716	1,584	3,112
1950	80	64,266	29	2/	1,902	2/
Flax:						
1949	48	19,267	40	7,784	884	543
1950	63	20,860	34	2/	504	2/
Corn:						
1949	44	19,607	19	16,672	587	95
1950	73	32,389	17	2/	734	2/
Tobacco:						
1949	35	35,026	29	22,112	741	491
1950	52	71,956	46	2/	1,475	2/
Dry edible beans:						
1949	9	2,909	29	1,737	95	62
1950	18	5,137	20	2/	106	2/
Multiple crops:						
1949	7	2,722	19	4,100	137	22
1950	55	27,732	22	2/	1,269	2/
United States:						
1949	394	165,079	XX	162,018	11,746	15,645
1950	624	307,257	XX	2/	14,332	2/

1/ Based on coverage for harvested acreage.
2/ Data not available.

As diversification reduces the risk to the FCIC under this type of coverage (the failure of one or more crops may be offset by high production of other crops), the rates are reduced when several crops are included in the same contract. As an illustration of the influence of diversification on multiple crop insurance premiums, a farmer in a Great Plains county with 50 acres each of oats and barley would have paid a premium of $43 for a coverage of $812.50 on the two crops. If the same acreage of oats and barley were insured separately, the total premiums paid for the separate coverages would have amounted to $77.50. The experience with multiple crop insurance has been very favorable to the FCIC since the insurance was started in 1948.

Progressive Coverage

As stated in previous issues of this publication, any insured acreage that is lost before harvest and released by the FCIC has a lower coverage than harvested acreage. The amount of insurance depends on the stage of production reached by the crop, and increases as additional production costs are incurred. This principle, known as "progressive coverage," was first used in 1943 in connection with American-Egyptian cotton, and has been used in some form on all crops since 1945. The various levels of coverage recognized in 1950, in terms of maximum coverage (through harvest), by stages of production, are shown in table 3.

TABLE 3.- Federal crop insurance: Coverage at various stages of production as percentage of coverage after harvest, 1950 1/

Program	First stage	Second stage	Third stage	Through harvest
	Percent	Percent	Percent	Percent
Wheat:				
Monetary insurance	50	2/	3/	100
Commodity insurance	50	90	3/	100
Cotton	25	40	75	100
Flax	50	90	3/	100
Corn	50	90	3/	100
Tobacco	65	4/	4/	100
Dry edible beans	65	85	3/	100
Multiple crops	50	4/	4/	100

1/ The first stage, for example, may not mean the same point in the production process of one crop that it does in the case of another. Moreover, a higher proportion of average total costs may be involved up to a point selected as the first stage for one crop than in the case of another crop.
2/ $1.60 (equivalent of one bushel) less than coverage in final stage.
3/ Only three stages recognized.
4/ Only two stages recognized.

Graduation of Rates by Size of Acreage

In 1947, the FCIC began graduating its premium rates on wheat to reflect the lower variability in yields that is associated with larger crop acreages. Graduated rate reductions on the larger acreages were in effect on cotton, flax, and corn in 1948, as well as on wheat, and were extended to tobacco growers in two counties in 1949.

Quality Protection

When the Federal crop insurance program was started in 1939, no quality protection was provided in the insurance. It was recognized that this risk existed and might be insurable, but it was felt that the program should be started on the basis of insuring yields without regard for quality. The quality-protection feature has developed gradually. In its earliest phase, protection against unavoidable loss of quality was provided by an allowance for unmerchantable wheat.

Beginning in 1945, in the case of the commodity contract, the adjustment for wheat of poor quality was restricted to those bushels that were worth half or less than half of the market value of good wheat. It was restricted to wheat so poor in quality that it could not be sold for feed or milling purposes in connection with the monetary wheat contract.1/ A provision whereby the quality feature covered only the loss below half of value was also applied to corn when that program was started on a trial basis in 1945.

In 1945, tobacco insurance was started on a trial basis with a provision for full "quality protection." Thus the importance of quality in the sale of that crop was recognized. The amount of the loss was determined by subtracting the value of the production from the coverage expressed in dollars. Thus, if tobacco was of low value because of poor quality, this low value was reflected in an increased indemnity. A feature was added to eliminate the risk of a lower general level of market prices.

Beginning in 1948, monetary contracts were adopted in most of the programs. Under them, it became possible to cover loss of quality by valuing poor-quality production at a lower figure than the predetermined price which was used in establishing the coverage and in converting the premium from commodity units to dollars. When insurance of beans was started in 1948, quality

1/ In the "commodity" contract the coverage, marketable production, and indemnity are determined in commodity units (bushels, pounds, etc.), after which the indemnity in commodity units is converted to dollars at a fixed price. In the "monetary" contract the coverage in commodity units is converted to dollars at the fixed price before the insurance is offered to the farmer. His production is later valued at the same fixed price for purposes of comparison with the coverage in determining the amount of the indemnity, if any. The two plans differ only with respect to the time when the commodity units are multiplied by the fixed price in establishing the coverage and in valuing production. Premiums in commodity units are also converted to dollars at the same fixed price that is used to determine the amount of loss in dollars. A premium note is used, which usually falls due about harvest time.

protection was included by establishing, in advance, a definite schedule of values for beans of different quality.

In 1949, quality protection of some kind was included in the wheat, corn, tobacco, and bean contracts. Then, in 1950, additional quality protection was provided on wheat, flax, and corn and those commodities under the multiple-crop program for which there is a recognized standard for measuring quality. For these crops it provided that if part or all of the crop were not eligible for a CCC loan because of poor quality and if it could not be put into condition to qualify, the indemnity paid to the insured would include an amount equivalent to the difference between the lower of two prices: (1) The lowest loan rate for the county or (2) the FCIC's predetermined conversion price and the actual value of the production.2/ In the case of the commodity wheat contract, for example, if the lowest loan rate (or fixed price) was $2 per bushel, but some production was worth only $1.25, the indemnity would include 75 cents per bushel for such production. Quality insurance was included in all 1950 contracts except for some of the commodities included under the multiple-crop contract.3/

Quality protection was included in the cotton contract for the first time in 1950. As the experience with cotton insurance has been less satisfactory to the FCIC than with any of the other crops, and as cotton normally varies widely in quality, the degree of quality protection described above was not extended to cotton. Cotton farmers were required to bear approximately the first 25 percent of their loss resulting from poor quality. For example, if the fixed price for cotton was 28 cents a pound and the value of production was only 15 cents a pound because or poor quality, the insured would bear the first 7 cents (25 percent) of the loss and the indemnity would cover the difference between 15 cents and 21 cents per pound.

Experience Rating of Risks

In the early days of the Federal all-risk crop insurance program, coverages and rates were set for individual farmers, based on such historical data as were available; but when these data proved inadequate, first rates, and then coverages, were established for areas based on FCIC experience. In some cases, the area may be as large as the county. Experience rating provides a method whereby rates may be adjusted downward to reflect good experience in the case of individual farmers.

2/ This meant that the quality protection applied to commodity units of a little better quality than were previously covered. For example, in the case of the commodity wheat contract, it meant that the 1950 quality adjustment applied not only to wheat so poor in quality that it could not be sold for feed or to a mill, but also to somewhat better wheat worth up to the FCIC price or the lowest loan rate. For this wheat to be covered, it had to be so poor in quality as to be ineligible for a CCC loan.

3/ In the 1950 program provision was also made for recognizing acreage allotments if they became effective. Under this provision the FCIC reserved the right to limit the insured acreage to the allotted acreage.

Under the county-wide premium adjustment plan, when favorable experience results in an accumulation of reserves in excess of the reserve requirement established for the county, its policyholders the following year benefit through a premium reduction, which varies from 5 to 30 percent, depending on the amount of the excess reserve. A similar plan is also being used whereby premiums are increased if county loss experience becomes excessive. The rate-reduction provisions under this plan were in effect in 1950 with respect to all programs except those on beans and multiple crops (which had not been in effect long enough for reserves in the required amounts to be accumulated), whereas the provisions for increases in premiums under the plan will not go into effect until 1951.

Two experience-rating plans based on individual experience were also used in 1950, after having been used previously in connection with wheat insurance. Both were applicable to wheat, flax, cotton, and corn, and one was applicable to tobacco. A farmer could qualify under only one of these plans. But in addition he could benefit from the county-wide rate reduction previously mentioned.

One of these individual experience-rating plans provided that a farmer who, during a period of continuous insurance, had a balance of premiums paid over losses which exceeded his coverage for the current year was entitled to a percentage reduction in his current premium. The reduction amounted to 50 percent in the case of the commodity wheat contract, and 25 percent in connection with the monetary wheat contract. For all other programs to which this plan applied, the 25 percent discount was used.

The other individual experience-rating plan provided a 25-percent reduction in the premium of a farmer who had participated in the program for seven consecutive years without a loss. This plan was in effect in 1950 and it is the only plan applicable to tobacco.

Citrus Crop Insurance

A specific-risk plan of crop insurance was offered to citrus growers in selected areas of two counties (Orange and Polk) in Florida in the spring of 1950. The insurance, which did not go into effect because minimum-participation requirements were not met, would have covered damage to fruit (not the tree) from freeze, windstorm and hail. Oranges, grapefruit, and tangerines of the 1950 crop would have been covered.

Some attention is given here to the citrus insurance plan for several reasons: (1) It differed from the FCIC's standard plan in several important respects, (2) the plan may be offered again, and (3) it was the first tree crop on which Federal crop insurance has been offered.

Under the citrus plan, insurance would have been on a specific-risk rather than an all-risk basis. In the other plans, a loss is payable only when the production or the valuation thereof is less than the specified coverage. In the citrus-insurance plan, indemnities would have been determined (as by private insurance companies in determining crop-hail losses) by multiplying

the coverage or amount of insurance by the percentage of damage to the crop. The percentage of damage would be determined by appraisal and marketing results. If the damage were less than 10 percent, no indemnity would have been payable. Losses of 10 percent or more would have been payable in full. Partial damage in the case of freeze would have been determined by the relative weight loss resulting from the drying-out of the fruit before it was picked. For example, if, from a 5,000-box crop of oranges, 1,000 were completely lost and 2,000 were partially damaged (weighing only 135,000 pounds or an average of 67 1/2 pounds per box at the canning plant, when undamaged oranges average 90 pounds per box), the percentage of damage would have been determined as follows:

$$\text{Percentage of damage} = \frac{1{,}000 + \left(2{,}000 - \frac{135{,}000}{90}\right)}{5{,}000} = 3/10 \text{ or } 30 \text{ percent.}$$

Thus the 2,000 boxes of partially damaged fruit are reduced to 1,500 equivalent boxes of "good" fruit, leaving the remainder (500) as the "completely destroyed" loss equivalent. Added to the other 1,000 boxes which were completely lost, the percent-damage ratio becomes 1,500/5,000.

OLD AGE AND SURVIVORS' INSURANCE[1/]

Old age and survivorship insurance was extended to regular hired farm laborers - but not farm owners and operators - under the recent amendments to the Social Security Act (PL 734 - 81st Congress). The hired worker will be covered, after January 1, 1951, in any calendar quarter in which he earns $50 or more, if he works for the same employer on a full-time basis for at least 60 days during the covered quarter and if he had continuous employment (not necessarily in agriculture) during the preceding 3 months. Noncash payments are not considered as wages.

To support this insurance program, wages up to $3,600 per year are taxable. The farm operator and his employee will each pay a tax amounting to 1 1/2 percent of wages. The tax is scheduled to be increased to 2 percent in 1954, and eventually to 3 1/4 percent in 1970.

The monthly primary insurance benefit (called PIB) is based on average wages received and is 50 percent of the first $100 of average monthly wages plus 15 percent of the next $200. If the average wages are less than $50 per month, the PIB is between $20 and $25, depending on the amount of the average wages. At least six quarters of coverage are required in order that the worker may benefit from the insurance.

1/ Fact Sheet No. 5, entitled "For Farm Workers," explaining further the application of the amended legislation to hired farm workers may be obtained from the Bureau of Old Age and Survivors Insurance, Social Security Administration, Federal Security Agency, Equitable Building, Baltimore 2, Maryland. See also Altmeyer article in Agricultural Situation, October 1950, pp. 7-9, published by the Bureau of Agricultural Economics.

Survivorship benefits, payable to the family if the insured worker dies, include: (1) A lump-sum death benefit equal to three times the PIB; (2) a widow's benefit (if she has reached 65), payable monthly, equal to three-fourths of the PIB; (3) a monthly payment for children under 18 equal to three-fourths of the PIB in the case of one child and one-half of the PIB in the case of each additional child; (4) a mother's benefit equal to three-fourths of the PIB, payable monthly to the widow if she is under 65 and if she has a child of the insured in her care and, in general, if she is not already a beneficiary or retiree under the program; and (5) monthly benefits for dependent parents, if there are no other beneficiaries (such as a widow or child) and, in general, if payments are not already being received under the program, equal to three-fourths of the PIB for each qualifying parent. Benefits (1), (3), and (4) are payable if the worker was "currently" insured at the time of his death, whereas if he were "fully" insured all benefits are payable.2/

Retirement (old-age) benefits, payable monthly in the case of fully insured workers, consist of: (1) Payments to the worker equal to 100 percent of the PIB, (2) payments to the wife (if she has reached 65 or if there are dependent children under 18) equal to one-half of the PIB, and (3) payments to each dependent child (under 18) equal to one-half of the PIB.

Thus a "fully" insured worker and his survivors are eligible for all types of benefits provided in the law, whereas a lump-sum death payment and monthly benefits to orphaned children and their mothers are the only payments made to survivors in case of the death of a "currently" insured worker.

2/ A worker would be "fully" insured if, at retirement or death, he had been covered for half of the quarters after January 1, 1951 or after reaching age 21, whichever occurred later, or after he had attained 40 quarters of coverage. He would be "currently" insured if 6 of the last 13 quarters before death were covered.

FARMERS' MUTUAL FIRE INSURANCE IN THE SOUTHEAST

A study recently made by Chester R. Smith, of Clemson College, South Carolina, indicates that in 1948 there were 132 farmers' mutual fire insurance companies in the six Southeastern States of Virginia, North Carolina, South Carolina, Georgia, Alabama, and Tennessee. These cooperative companies had more than 500 million dollars of insurance in force, of which almost 85 percent was on farm property.

A large majority of the companies are concentrated in two roughly parallel northeast-southwest chains, one along the northwest half of Virginia extending southwest through eastern Tennessee, and the other extending from north central Georgia northeast through the Piedmont and upper Coastal Plain of South Carolina and the central part of North Carolina. Only a few scattered companies are located in the Lower Coastal Plain.

Farmers in the Southeast have made significant progress in the formation of cooperative farm fire insurance companies, though not on a scale comparable with developments in other parts of the Nation, particularly in the North Central States. Eight of the Virginia companies commenced business before 1880. The most rapid expansion in the region occurred during the decade 1890-99, when 45 of the 132 companies were formed. Thereafter, expansion continued at a slower rate until 1920, by which time three-fourths of the companies had been organized. However, the formation of new companies since 1920 has been significant, averaging about one new company annually over the 30-year period.

The number of companies in the United States declined slowly from a peak of 1,952 in 1921 to approximately 1,850 at present. In contrast, the number of companies in the Southeast has grown steadily from 97 in 1921 to 132 in 1948.

A comparison of the growth of the volume of insurance reveals a similar trend. Farm mutual fire insurance in force in the United States amounted to 8.4 billion dollars in 1921. In 1948, it amounted to more than 18 billion, an increase of 114 percent. The volume of insurance carried by farmers' mutual fire insurance companies in the Southeast increased considerably more, in proportion, than that for the Nation as a whole. The Southeastern companies had 221 million dollars of insurance in 1921 compared with 561 million dollars in 1948, an increase of 154 percent. Farmers' mutual fire insurance companies in other parts of the Nation had already reached a high stage of development by 1921.

The cost of insurance in farmers' mutual fire insurance companies in the Southeast averaged about 33 cents per $100 of insurance during the period 1943-47.1/ Costs were highest in Alabama and South Carolina, 56 and 55 cents, respectively, and lowest in North Carolina and Virginia, where the cost averaged 29 cents in each State. Tennessee had an average cost of 36 cents and Georgia 40 cents.

Farmers' mutual companies in other sections of the United States operate at costs much lower than those of most of the farm mutuals in the Southeast. Costs are lowest among companies in the East North Central and West North Central States, and highest in the New England States.

1/ Fire losses accounted for almost 60 percent of the total cost (losses paid plus operating expenses). Insurance in force was used for weighting purposes in computing the 5-year average cost.

TAXES LEVIED ON FARM REAL ESTATE

Farm real estate taxes levied by State and local governments averaged 7.4 percent higher in 1949 than in 1948. This is the sixth consecutive year in which the average for the country as a whole has risen. Preliminary reports from most of the States indicate that 1950 levies (payable for the most part

early in 1951) will show a further but smaller increase than that for the preceding year.

Total taxes levied on farm real estate in 1949 are estimated to have been 699 million dollars as compared with 651 million in 1948 and 600 million in 1947. Before 1947 the largest amount levied in any year was 567 million dollars in 1929. Expressed as a per-acre figure, the 1949 levies amount to $0.61, which is well above the average of $0.57 reported for 1948 and above the previous high of $0.58 in 1928 and 1929. The index of taxes per acre reached 296 (1909-13 = 100) in 1949 compared with 275 in 1948 and 281 in 1929. In terms of the full value of farm real estate, the tax levies in 1949 amounted to $1.10 per $100. In 1948, they were $1 per $100 as compared with $0.90 in 1945 and 1946. The highest ratio was $1.54 per $100 in 1932.

Regionally, the largest percentage increases in tax levies per acre of farm real estate between 1948 and 1949 occurred in the West South Central and Mountain regions where the average increases approximated 11 percent. But even within regions the percentage change varies considerably by States, which indicates that rather widely different methods are used to obtain necessary funds and that the size of expenditures varies from year to year. Changes in taxes per acre in the 48 States ranged from a decline of 3 percent in Mississippi to an increase of 28 percent in North Dakota. Mississippi was the only State for which a decrease was reported, although in neither Indiana nor California were there significant changes.

Taxes levied per acre of farm real estate were higher in 1949 than they have ever been in 25 States, and as high as they have ever been in 5 others. On the other hand, in 9 States such taxes were less than 75 percent of their highest point. The highest per-acre taxes were in the New England, Middle Atlantic, and East North Central regions. In Massachusetts taxes per acre averaged $4.01 and in Connecticut, New Jersey, and Rhode Island they exceeded $2.00. In 12 other States the tax per acre was $1.00 or more. Generally speaking, the lowest taxes were those levied in the Mountain and Southern States. In 8 of these States the per-acre levy in 1949 was less than $0.25, with New Mexico having a low of about $0.07.

The index of taxes levied per acre of farm real estate for the United States as a whole reached 296 (1909-13 = 100) in 1949, indicating that taxes were nearly three times those of that earlier period. For all of the New England States and for nine other States scattered throughout the country, the index shows that taxes levied in 1949 were four times or more those levied in 1909-13. In only four States - Delaware, West Virginia, Michigan, and Oklahoma - were taxes levied in 1949 less than double those of the period 1909-13.

For the country as a whole, farm real estate taxes levied in 1949 amounted to $1.10 per $100 of full value compared with $1.00 in 1948. This substantial increase reflects a rise in tax levies of 7.4 percent and a fall in farm real estate values of 3.4 percent. Mississippi, the only State to report a decline in taxes per acre, was also the only State to show a slight decrease in taxes per $100 of full value. Increases in the other States varied considerably chiefly because of the wide differences in the rates of increase in tax levies. Changes in real estate values were considerably smaller even though 6 States reported increases.

The need for higher property tax levies in recent years has resulted from several causes. Of greatest importance has been the general increase in the cost of operating local governments caused by increases in salaries and wages and higher costs of materials and supplies. The expansion of facilities and, to some extent, the addition of new services have also been influential in the generally sharp rise in taxes. Schools have been the biggest item of expense in most governmental programs for expanding facilities. Roads have been taking a significant share of the tax revenue of both State and local governments as they have attempted to catch up on the construction that had to be postponed during the war. Welfare costs have continued to rise and a few States are providing, through property taxation, a bonus for veterans of World War II. These larger expenditures are being financed principally from funds obtained by increasing property tax rates, although in several States assessed values also have been increased substantially.

Tables containing data relating to farm taxes are to be found in the Statistical Appendix of this volume.

Proportional-Profit Farms.- Among the current land tenure reforms in the Caribbean is one that cannot be easily labeled but it deserves special mention. It is the proportional-profit farm of Puerto Rico. The proportional-profit farm is an attempt by the Puerto Rican reformers to answer the oft-repeated charge that any break-up of the sugar plantations will result in reduced efficiency of production and diminished yields, and that, in the existing situation of the Caribbean, it is impossible to visualize the abandonment of the sugar industry. The proportional-profit farm is one which, when deemed necessary, can exceed the legal 500-acre limitation. It is under the control of the Land Authority, and is leased to a competent manager with prescribed agricultural experience. The lessee receives from 2 to 15 percent of the proceeds annually; a certain portion is put aside for reserves, depreciation, and emergencies; and the remainder is divided among the workers in proportion to the work done and wages received during the year. The proportional-profit farm, representing a hybrid of modern capitalism and the collective farm, is regarded in Puerto Rico as the backbone of the new land policy of the island.

From: Agrarian Reform and Moral Responsibility, Agricultural Missions, Inc., N. Y., 1949.

See also, Caribbean Land Tenure Symposium, Caribbean Commission, Wash., D. C., 1946.

RESEARCH PROJECTS IN AGRICULTURAL FINANCE
Agricultural Credit, Agricultural Risks and Insurance, Farm Taxation, Local Government and Public Finance, and Farm Construction

The following research projects are currently "in progress" in the field of agricultural finance. State projects include those reported directly by the State agricultural colleges and State agricultural experiment stations. Objectives of each project are briefly described. This list does not include numerous related research activities of other agencies, such as projects of the Farm Credit Administration, Farmers Home Administration, State tax commissions, and other agencies whose research often is directed primarily toward administrative problems.

AGRICULTURAL CREDIT

Georgia: CAPITAL PRODUCTIVITY AND ACCUMULATION IN AGRICULTURE IN THE PIEDMONT IN GEORGIA.- A study of the effects of changes in farm tenure, in farming technology, and in other factors upon incomes and rates of capital accumulation by Piedmont farm families, with emphasis upon capital requirements of these changes and ways of financing them. Leader: W. E. Hendrix.

Illinois: EFFECT OF DEBT AND CAPITAL ON LAND USE AND FARM ORGANIZATION.- To compile and analyze data for individual farms related to this title. Leader: L. J. Norton.

Indiana: THE BALANCE SHEET OF INDIANA AGRICULTURE.- (1) To determine the balance sheet of Indiana agriculture for January 1, 1950 and earlier years. (2) To determine the income statement of Indiana agriculture for 1949 and earlier years. (3) Develop methods of estimating farm income, expense, asset and liability items in order that the balance sheet and income statement may be revised annually. Leaders: H. G. Diesslin and J. P. Reagan.

Iowa: RECONNAISSANCE STUDY OF RURAL REHABILITATION LOANS MADE BY FARMERS HOME ADMINISTRATION IN IOWA.- Leader: J. Robert Tompkins.

Kansas: AGRICULTURAL CREDIT AND FINANCE.- (1) To study the needs, sources, costs, and adequacy of short- and long-term credit to farmers and farm cooperatives. (2) To develop and maintain a long-time land-price series on the basis of type-of-farming areas in Kansas. Data from the census and from the Federal State statistician will be used to develop and maintain these series. (3) To study the cost of farm improvements and the possibility of obtaining credit for completing such improvements, and also the effect of such improvements on normal agricultural value of land in rural areas. (4) To study land values in relation to net farm income per acre for areas in Kansas for which income data are available. Leaders: George Montgomery and Merton L. Otto.

Maryland: FINANCIAL STATUS AND SECURITY OF FARMERS.- To determine the assets and liabilities (the balance sheet) of Maryland farmers; to ascertain the extent to which farmers accumulate means to provide for old age retirement, and protect themselves and their families against economic catastrophes during the production period; and to consider ways in which better social security might be provided for farmers as a whole. Leaders: S. H. DeVault, W. P. Walker, Paul R. Poffenberger, and W. T. Sigafoose.

Maryland: RURAL COOPERATIVE CREDIT.- To determine the amount and kinds of credit extended to farmers and rural people by cooperative credit institutions such as, production credit associations, national farm loan associations, and credit unions, and the purposes for which this credit is used; to determine the extent to which these agencies are meeting the needs for credit in the areas in which they operate; to ascertain opinions and reactions of farmers regarding the services of various credit institutions; to determine the extent to which rural cooperative institutions may extend their services and if other forms of credit might be needed to serve the farmers adequately. Leaders: S. H. DeVault, W. P. Walker, and P. R. Poffenberger.

Massachusetts: INDUSTRY CREDIT IN POULTRY MEAT PRODUCTION.- An analysis of the practices of packers, feed companies, and hatcheries financing broiler and turkey production. Leader: John Schulze.

Minnesota: AN ECONOMIC ANALYSIS OF PRODUCTION CREDIT ASSOCIATIONS IN MINNESOTA.- The over-all purpose of the study is to determine how satisfactorily the production credit associations are supplying the short-term credit needs of Minnesota farmers. Principal objectives are: (1) To determine the financial progress and relative operating efficiency of the associations; (2) to analyze loans made by associations to determine characteristics, adjustment to need, and loss experience; (3) to compare loaning policies and practices with that of a sample of commercial banks; and (4) to suggest adjustments to improve agricultural production lending in the State. Leaders: E. Fred Koller and Sherwood O. Berg.

Minnesota: SHORT-TERM AGRICULTURAL LOANS OF SELECTED MINNESOTA RURAL BANKS.- (1) To determine the characteristics, volume, and quality of short-term agricultural loans made by selected rural banks; (2) to explore differences in loaning practices among banks in different type-of-farming areas; (3) to determine the importance of farm-production loans in banks' loan portfolios; and (4) to outline methods of expanding and improving the commercial banks' credit services to Minnesota farmers. Leaders: E. Fred Koller, Sherwood O. Berg, and Reynold P. Dahl.

New Hampshire: ACQUIRING CAPITAL FOR FARMING.- An analysis of the capital needed by young men to enter the business of farming and the possibilities of their acquiring this capital. Leader: W. K. Burkett.

North Carolina: CREDIT PRACTICES ON TOBACCO FARMS, SOUTHEASTERN NORTH CAROLINA.- This project was set up as a part of the farm organization study in the Coastal Plains area to meet the following objectives: (1) Determine the extent to which tobacco farmers are using credit to finance their annual production program; (2) determine credit practices

of farmers with respect to sources and cost of credit, types of security offered, and purposes for which credit used; (3) to ascertain some of the factors that may affect the future credit needs of farmers; and (4) to determine the adequacy of established credit facilities for providing the type of credit needed by farmers to finance their farming operations. Data were obtained by personal interviews with individual farmers and credit agencies operating in the area. Leader: W. H. Pierce.

Ohio: FINANCING FEEDER LIVESTOCK IN OHIO.- Leaders: G. F. Henning and M. B. Evans.

South Carolina and BAE: CAPITAL REQUIREMENTS FOR THE PRODUCTION OF GRADE "A" MILK.- A project to determine the amount and distribution of capital outlay required for dairy farms of different sizes. It also aims to make an inventory and appraisal of land, buildings, fences, machinery, equipment, and cattle on selected dairy farms in South Carolina. Leaders: Charles P. Butler and Dennis E. Crawford.

South Carolina and BAE: FARM LOANS.- This project aims to study loans outstanding on selected dairy farms by source of credit and purpose for which borrowed. It also aims to study such factors as rate of interest, length of loan, term of payment, and kind of security. Leaders: Dennis E. Crawford and Charles P. Butler.

South Carolina and BAE: COSTS OF PRODUCING UNGRADED MILK.- This project aims to determine capital outlay and other production factors in producing milk for manufacturing purposes and their estimated costs under various conditions. Leader: Charles P. Butler.

Vermont: COST OF SHORT-TERM CREDIT.- To study the cost to farmers and the amount of short-term credit obtained from various sources. Leader: R. P. Story.

Virginia: A STUDY OF THE FINANCIAL STATUS OF VIRGINIA FARMERS.- This project involves a complete enumeration of the assets and liabilities of about 1,500 farm operators included in a random sample drawn to represent the agriculture of Virginia. It provides information as to the economic status of farm operators, the financial characteristics of a farm business in the several types-of-farming areas, and numerous other pertinent economic facts not previously available. The Federal Reserve Bank of Richmond, the Committee on Agriculture of the Virginia Bankers Association, the Virginia Agricultural Experiment Station, and the Bureau of Agricultural Economics are cooperating in the sponsorship of the project. The Virginia Agricultural Experiment Station through its staff in the Department of Agricultural Economics is taking the principal responsibility. Leader: Harry M. Love.

Washington: CAPITAL NEEDED AND SOURCES OF BORROWINGS FOR FARMERS WHO ARE BEGINNING FARMING IN NEWLY DEVELOPED IRRIGATION AREAS.- To study the amounts and kinds of capital needed to begin farming in newly developed irrigation areas and to project these findings to those areas proposed for development. To determine the possible sources from which farmers in these new areas can borrow - the costs, efficiencies, and adaptability of such borrowings to the

specific needs of the farmer. To determine the nature of loans that are needed and hence the characterization of the lender that could best suit these needs. Leader: B. D. Parrish.

Wisconsin and BAE: THE TENURE OF WISCONSIN FARM LAND.- Investigation of the processes by which farmers gain security in land occupancy. Leaders: Phil Raup and R. J. Penn.

Wisconsin: AN ANALYSIS OF THE EFFECTS OF GENERAL ECONOMIC INSTABILITY UPON WISCONSIN AGRICULTURE.- A study of the influence of general business cycles upon capital accumulation and land ownership. Leader: K. H. Parsons.

BAE: CAPITAL REQUIREMENTS OF AGRICULTURE.- Objectives are to measure the growth of capital used in agriculture since 1870; to discover the principal factors which have determined the volume and value of the physical and financial assets used in agriculture; to identify the sources of the funds which made possible the growth in agricultural assets, and to estimate future capital requirements of agriculture. The initial task is largely one of assembling, adjusting, and refining data on assets, income, expenditures, and debts of farmers, covering the last 5 to 8 decades, collected by the Bureau of the Census, by BAE, and by others. The main task will be to analyze these data for the purpose of discovering factors which have influenced capital growth and which may give clues to future capital requirements of farmers. This study is being made in cooperation with the National Bureau of Economic Research in connection with its study of Capital Requirements of the American Economy. Leader: A. S. Tostlebe.

BAE: CHARACTERISTICS OF FARM-MORTGAGE CREDIT.- An analysis of characteristics of farm-mortgage credit in relation to type, size, and value of farms, size and frequency of debt, ratio of debt to value, and other observable differences in business and financial organization of agriculture. Data for the analysis is to be taken from the agricultural censuses and from surveys conducted by BAE during 1945-47, and from surveys made in cooperation with the Bureau of the Census during 1945 and 1950. Leader: H. C. Larsen.

BAE: IMPROVEMENT OF CURRENT ANNUAL ESTIMATES OF FARM-MORTGAGE DEBT.- Development of estimates of farm-mortgage loans held by principal lender groups for current year by States. Estimate the amount of mortgage debt, and the number and value of mortgaged farms, by tenure of operator by States, January 1, 1950. These estimates are being made in cooperation with the Bureau of the Census and will provide bench mark figures for January 1950, and for revision of the annual figures 1945-51. This project however is concerned mainly with improvements in the techniques for estimating annual changes in farm-mortgage debt by major lender groups. Leader: H. C. Larsen.

BAE: FINANCIAL MANAGEMENT OF THE FARM FIRM.- The objective of this project is to identify those problems that are of a financial nature; to obtain, analyze, and distribute facts and information that bear on such problems; and to interpret these facts in the light of specific and over-all financial problems of the farm firm. Leader: H. C. Larsen.

BAE: ANNUAL CHANGES IN FINANCIAL STRUCTURE OF AGRICULTURE.- To prepare annual consolidated balance sheets covering all farms in the United States

and to analyze these balance sheets in relation to their significance for the farmer and the economy as a whole. Leaders: Norman J. Wall, F. L. Garlock, A. S. Tostlebe, R. J. Burroughs, H. C. Larsen, H. T. Lingard, L. A. Jones, and M. E. Wallace.

BAE: NON-REAL-ESTATE DEBT OF FARMERS.- To maintain a series showing the amount of non-real-estate debt of farmers and to determine the characteristics and terms of credit extended by the major lenders. Leaders: L. A. Jones, Malcolm Wallace, and Lucy R. Hudson.

BAE: NON-REAL-ESTATE AGRICULTURAL CREDIT FACILITIES IN THE UNITED STATES.- To study the major types of non-real-estate credit institutions with particular reference to organization, financial structure, and nature and effectiveness of operations. Leaders: F. L. Garlock, L. A. Jones, Malcolm Wallace, and Lucy R. Hudson.

BAE: ESTIMATES OF UNITED STATES SAVINGS BONDS OWNED BY FARMERS.- To determine for the farm population the amount of United States Savings Bonds bought during given periods, rates at which bonds are cashed, and the value of bonds owned. Leaders: L. A. Jones and Lucy R. Hudson.

BAE: (In cooperation with various States) FINANCIAL STATUS OF INDIVIDUAL FARMERS.- To determine through area surveys the distribution of farmers according to their financial status, including net worth, liquid assets, and debts. In addition, the surveys would provide much of the previously unavailable data needed for preparing State balance sheets of agriculture. Leaders: F. L. Garlock, L. A. Jones, Malcolm Wallace, and Lucy R. Hudson.

BAE: FLOW OF BANK DEPOSITS AND EFFECT UPON LOANS OF COUNTRY BANKS.- To measure the flow of bank deposits from or to agricultural areas and to determine the effects of changes in deposits on the lending power of banks in agricultural areas. Leaders: F. L. Garlock and Malcolm Wallace.

AGRICULTURAL RISKS AND INSURANCE

Illinois: ECONOMIC AND LEGAL STATUS OF FIRE PROTECTION DISTRICTS IN ILLINOIS.- Leader: H. W. Hannah.

Indiana: INSURANCE PRACTICES OF INDIANA FARMERS.- (1) To determine the kinds, amounts, costs, and benefits of insurance carried by farmers in Central and Southern Indiana; (2) to compare the general insurance practices of farmers under various conditions of age, capital accumulation, education, type of farming, geographic location, and other business and personal characteristics. Leader: H. G. Diesslin.

North Carolina: ECONOMIC ANALYSIS OF MUTUAL FIRE INSURANCE COMPANIES IN NORTH CAROLINA.- The project was set up to accomplish the following objectives: A. To analyze the organizational set-up and operating policies of farmers' mutual fire insurance companies in North Carolina giving attention to: (1) Nature of ownership and management; (2) types of insurance offered and policy rates; (3) methods of collection; (4) reinsurance; (5) classification and rating of risks; (6) methods of selling insurance and compensation of agents; (7) risk inspection practices. B. To determine the effectiveness of

operation of mutual fire insurance companies. C. Appraisal of the organizational set-up, operating practices, and effectiveness of operation of mutual fire insurance companies and suggestions for future operation. The data for the project were collected by personal interview with the secretary-manager of each company. Financial records of each company were obtained from the North Carolina Insurance Commission. Leaders: G. W. Forster and W. T. Kenyon.

North Dakota and BAE: WEATHER AND RELATED RISKS AND THEIR IMPACT ON FARM ORGANIZATION AND INCOME IN THE NORTHERN GREAT PLAINS.- The objectives of this project are (1) to appraise the economic significance of weather fluctuations and other agricultural risks with respect to the structure and functioning of farm units, with particular emphasis upon the uncertainty of farm income and its effect upon resource utilization and economic stability of Great Plains agriculture; (2) to examine various methods of risk-bearing that afford possibilities of increasing the stability of farm income. Leaders: N. Dak., Rainer Schickele and Phil J. Thair; BAE, E. Lloyd Barber.

BAE: FARMERS' MUTUAL FIRE INSURANCE.- To present in published form the results of a recent survey of the operating practices and problems of farmers' mutual fire insurance companies. Some topics to be covered include: Number of companies by States; policy terms; reserves; reinsurance; single-risk definitions; rating; loss adjustment; participation in organized farm fire protection activities; membership fees charged; and company cooperation. Leader: Ralph R. Botts.

BAE: ORGANIZED RURAL FIRE PROTECTION IN THE UNITED STATES.- To follow developments in the field of organized farm fire protection; to analyze new legislation in this field; to ascertain what financial and other arrangements are involved between farmer groups and towns, which usually provide or cooperate in providing farm fire protection; and to measure the effectiveness of rural fire protection services as shown by farm mutual fire insurance experience in areas having various degrees of rural fire protection. Leader: John D. Rush.

BAE: FARM FIRE LOSSES.- To maintain a series showing the annual amount of farm fire losses in the United States, and to analyze survey data to ascertain the frequency, severity, and causes of farm fires by classes of property, size of farm, and tenure, for broad geographic areas. Leaders: Ralph R. Botts and John D. Rush.

BAE: RESERVE REQUIREMENTS OF FARMERS' MUTUAL INSURANCE COMPANIES.- To determine the amount of reserves required by farmers' mutual fire and windstorm companies, considering such factors as size of company, net retention per single risk, and reinsurance. Leader: Ralph R. Botts.

BAE: RISK AND RISK-BEARING IN AGRICULTURE.- To study the economic significance of weather fluctuations and other agricultural risks with respect to the structure and functioning of farm units, with particular emphasis upon the

uncertainty of farm income; to examine various methods of risk-bearing that afford possibilities of increasing the stability of farm income. Leader: E. L. Barber.

FARM CONSTRUCTION

Iowa: ECONOMIC ASPECTS OF RURAL HOUSING IN IOWA.- To determine the institutional structure of the rural house-building business, with emphasis upon the role of the retail lumber dealer and his relationship to other participants. To develop a method for estimating the annual volume of Iowa farm dwelling construction. To initiate a study of residential construction cycles, with emphasis on rural building. Leader: Edna Douglas.

BAE: FARM CONSTRUCTION RESEARCH.- The Housing Act of 1949 requires estimates of farm housing needs and reports with respect to progress being made toward meeting such needs. It also provides for research on reducing costs of construction of housing and other farm buildings. BAE did the field work on a sample survey to give data for the United States and three regions on the inventory and conditions of farm houses and other buildings in relation to value of products, family income, tenure, and other variables. The survey also begins what had been hoped would be an annual series on the volume of farm construction activity, although tabulation is not now going on. Field work to discover how best to obtain data on financing construction activity has been completed through the cooperation of the Experiment Stations in North Carolina and Texas. The results are being reviewed. Leader: Bureau of Agricultural Economics.

FARM TAXATION, LOCAL GOVERNMENT, AND PUBLIC FINANCE

Connecticut: ANALYSIS OF THE FARM TAX PROBLEM IN CONNECTICUT.- Appraisal of the burden of farm taxation in Connecticut, consideration of alternative tax objectives, and analysis of suggested reforms. Leader: Harold G. Halcrow.

Idaho: AN ECONOMIC ANALYSIS OF THE IDAHO INCOME TAX LAW.- This project is a study of the Idaho Property Relief Act of 1931 which established the present income tax. It will attempt to determine methods of improving the provisions of the act and its administration. The following points are being given special treatment: (1) The rate structure; (2) the administrative procedures; (3) the yield; (4) the equity of the tax; (5) violations; (6) special administrative and procedural problems; (7) the extent to which the tax acts as economic deterrent; (8) the possibility of making the tax more efficient so that the general property tax will not be required to finance the State functions; (9) an over-all evaluation of the tax in terms of alternative source of income. Leader: Keith J. Adams.

Indiana: EFFECTS OF LAND USE ADJUSTMENTS UPON STATES AND LOCAL GOVERNMENTAL COSTS IN SOUTHERN INDIANA.- (1) To delineate areas that are contributing little tax revenue in relation to the cost of governmental services provided; (2) to determine costs of government and sources of revenue in these areas; (3) to ascertain probable cost of purchasing such areas for forestry and recreational uses; (4) to find out to what extent governmental efficiency can be improved by purchase of such areas; and (5) to determine in what manner and at what rate purchases should be made. Leader: J. B. Kohlmeyer.

Iowa: VALUATION OF FARM REAL ESTATE FOR TAX ASSESSMENT.- A study of methods that may prove helpful to assessors in improving farm real estate assessments. Special emphasis will be given to use of soil-survey maps and data in arriving at assessed values. Ratios of assessment to sale value will be studied. Leader: W. G. Murray.

Maryland: RECENT TAX CHANGES IN MARYLAND AND THEIR EFFECT ON FARMERS' TAX OBLIGATIONS.- To determine trends in assessed-to-sales ratios of farm and nonfarm real estate; to compare the impact of property taxes as an alternative to State allocations for county functional purposes; to determine recent trends in farmers' tax liabilities; to review the State and local tax pattern and to suggest necessary adjustments, if needed, to bring about better distribution of the State and local tax burdens. Leaders: S. H. DeVault, W. P. Walker, and W. T. Sigafoose.

Maryland: IMPROVING FARM-BUILDING ASSESSMENTS FOR TAX PURPOSES.- To determine (1) the methods or techniques used in assessing farm buildings in Maryland; (2) to ascertain the types and extent of inequalities in farm-building assessments; and (3) to devise standards of assessment technique which may be practicable for assessing farm buildings. Leaders: S. H. DeVault and W. P. Walker.

Maryland: SALES TAXES AND THEIR APPLICATION TO FARMERS.- To obtain (1) data on sales taxes paid by farmers, especially on purchases for farm production; (2) to determine the relative sales-tax burden among different type-of-farming enterprises; and (3) to examine sales-tax laws, and the rules and regulations pertaining thereto, with the objective of equitable application of sales taxation to farmers. Leaders: S. H. DeVault and W. P Walker.

Maryland: STATUS AND IMPROVEMENT NEEDS OF LOCAL RURAL ROADS.- To ascertain (1) the nature and extent of local rural road improvements that are desirable and feasible; (2) to determine the extent of such improvements that can be made without excessive tax burdens; (3) to study methods of financing such improvements; and (4) to determine the condition of farm lanes in relation to public highways serving farms. Leaders: S. H. DeVault and W. P Walker.

Maryland: RURAL LOCAL ROAD NEEDS AND USAGE.- To assemble facts which will assist in determining rural local road needs; to study and measure the physical, social, and economic bases which justify the various types of rural local improvement; and to ascertain the thinking of rural people with respect to local road problems and needs and their willingness to help realize and finance these needs. Leaders: S. H. DeVault and W. P. Walker, Maryland Agricultural Experiment Station, George N. Lewis, Jr., Maryland State Roads Commission, and Roy T. Messer, United States Bureau of Public Roads.

Missouri: THE RELATIONSHIP BETWEEN THE ASSESSED VALUE AND SALES VALUE OF FARM LAND IN SELECTED COUNTIES IN MISSOURI.- A study made in cooperation with the research committee of the State Legislature. Tax rates and total tax payments are included. Leader: Frank Miller.

Montana: RECLASSIFICATION OF AGRICULTURAL LAND FOR ASSESSMENT PURPOSES.- (1) To study and recommend procedures for the reclassification of agricultural land for assessment purposes in Montana. (2) To develop and recommend procedures for the valuation of classified agricultural land for taxation purposes in Montana. Leader: Maurice C. Taylor.

Nebraska: LAND AND BUILDING CLASSIFICATION AND VALUATION FOR TAXATION PURPOSES.- A revised procedure for farm land assessment has been developed and adopted in Harlan County, Nebraska. The purpose of this project is to compare assessment of farm land under the former procedure with assessment under the new procedure. Areas of considerable variation will be studied to determine causes of variation and probable effect of the new system. Leader: Norris J. Anderson.

New York: IMPROVEMENT OF RURAL ROADS IN NEW YORK STATE.- A study of town highways, county roads, and local rural road planning in New York. Particular emphasis is being given in connection with this project this year to a study of the needs and possible methods of financing bridges on the town highway system. Leader: E. A. Lutz.

New York: PUBLIC WELFARE ORGANIZATION, ADMINISTRATION, AND FINANCE IN RURAL NEW YORK.- A study of the effectiveness and efficiency of public welfare administration and finance in New York working toward recommendations for administrative and financial changes which will improve such effectiveness and efficiency. A cooperative project with a New York Joint Legislative Committee. Leader: E. A. Lutz.

New York: ORGANIZATION, ADMINISTRATION, RECEIPTS, AND DISBURSEMENTS OF LOCAL GOVERNMENTS IN RURAL NEW YORK.- A series of "business management studies of local government" in New York State. Object is to assemble information on finances of counties, towns, villages, cities, school districts, and special districts in rural New York. Leader: E. A. Lutz.

New York: ASSESSMENT OF REAL PROPERTY IN NEW YORK STATE.- A study of valuation for tax purposes of real property in New York State. Includes work in field of local government such as appraisal and valuation of property. Leader: E. A. Lutz.

New York: STATE AND FEDERAL AID TO LOCAL GOVERNMENT IN NEW YORK.- A study of the fiscal and administrative problems of New York local governments which are associated with State and Federal grants in aid. Leader: E. A. Lutz.

Texas: CAUSES OF AD VALOREM TAX DELINQUENCY IN TEXAS.- To determine the basic causes of ad valorem tax delinquency in Texas with a view to suggesting remedial measures. Leaders: L. P. Gabbard and R. G. Cherry.

Texas: FACTORS AFFECTING THE COLLECTION AND EXPENDITURE OF TAXATION REVENUES IN TEXAS.- To determine the extent to which farm taxes in Texas may be reduced and governmental services improved. Leaders: L. P. Gabbard and R. G. Cherry.

Wisconsin: READJUSTMENTS IN LAND UTILIZATION, POPULATION, AND LOCAL GOVERNMENT AFTER A COUNTY IS ZONED.- A study of land utilization in the Wisconsin counties that have rural zoning ordinances with a view to assisting counties revise their zoning ordinances. Three counties have completely revised their zoning ordinances. More are in process, using materials from this study as part of the basis for revision. Leaders: C. L. Loomer and R. J. Penn.

Wyoming: WYOMING LAND UTILIZATION AND TAXATION PROBLEMS AS RELATED TO THE AGRICULTURAL DEVELOPMENT OF THE STATE.- To study (1) rate, amount, and distribution of tax load over a period of years; (2) increase in general property tax; (3) increase in total taxes; (4) per capita increase of general property and total taxes; (5) relation of State income from different industries to taxes paid by each, and (6) amount of tax-free property in each county; (7) to determine fair value for different classes of land; (8) influence of tax load on land ownership and obligation; (9) percentage of agricultural income spent for general property and Federal income taxes. Data are to be obtained by consulting each year the State, county, and local records as to investments, levies, collections, and tax-free property and securing from State, Federal, and farm and ranch financial records the income from agricultural and industrial enterprises. Leader: A. F. Vass.

BAE: TAXES AND THEIR IMPACT UPON AGRICULTURE.- An evaluation of Federal, State, and local governmental tax systems, and major types of levies as they influence the production and marketing of agricultural products. An analysis of the effects of taxes upon the asset position of farmers in selected areas, and other fiscal and nonfiscal aspects of farm taxes. Leader: Daniel W. Burch.

BAE: ESTIMATES OF FARM TAXES.- Development of estimates of amounts of the major taxes levied against farms or farmers for the United States and for individual States and regions when possible. Improvement of techniques for the estimation of annual changes in the various tax series. Leader: Harold T. Lingard.

BAE: THE FARMERS' TAX BURDEN.- An analysis of the economic significance of taxes levied upon farmers and agriculture, particularly with respect to an evaluation of the tax load of agriculture. Also an evaluation of changes in taxes as they affect farmers. Leader: Tyler F. Haygood.

Balance Sheet of Agriculture.- Table 30 of the Appendix shows a comparative balance sheet of agriculture for the years 1940-50. Table 31 shows a comparative income statement for the years 1940-49. An analysis of these summary financial accounts of agriculture, together with an analysis of the outlook for early 1951, may be found in The Balance Sheet and Current Financial Trends of Agriculture 1950, issued by the BAE of U. S. Dept. Agr., Agr. Inform. Bul. 26.

BOOK REVIEWS

Duggan, I. W. and Battles, Ralph U., Financing the Farm Business. John Wiley and Sons, Inc., New York. 354 pp. 1950.

The purposes of this book, as stated by the authors, are "to outline the principles of sound farm financing and to describe the characteristics of the principal institutions that are the sources of agricultural credit. It is intended to show how credit can be used by farmers to increase their incomes and their level of living. At the same time, an attempt is made to call attention to some of the important pitfalls in using credit so that the reader may be better qualified to reduce his financial risks to a minimum."

The authors are unusually well qualified to write such a book. The senior author, Mr. Duggan, has been Governor of the Farm Credit Administration since 1944. He had extensive experience in vocational agriculture and in the Agricultural Adjustment Administration before he became associated with the Farm Credit Administration in 1943. The junior author, Mr. Battles, has been Assistant Chief of the Economic and Credit Research Division of the Farm Credit Administration since 1942. Before that he was economist with the Farm Mortgage Conference of Life Insurance Companies and later assistant to the vice president in charge of farm mortgage loans in the Metropolitan Life Insurance Company.

The book is divided into two parts which are described respectively as "Principles of Farm Financing" and "Sources of Agricultural Credit." In the first part, the authors discuss a wide range of topics, most of which deal with the use of capital and credit on farms. Included, however, are chapters on farm leases, legal documents, father-and-son agreements, interest rates, farm appraisals, and the financing of farmers' cooperatives. The second part of the book deals exclusively with the institutions that supply credit to farmers and to farmers' cooperative associations.

The first part appears to have been written primarily for young farmers and students of vocational agriculture, and it is admirably suited for these groups. Here the authors review the need for various types of capital on farms, alternative means of raising capital such as by leasing and borrowing, factors to consider when buying or making capital investments on a farm, the disadvantages of an unproductive farm and inadequate equipment, the various types of credit and proper uses of each, the essentials of a good farm lease, appropriate repayment terms for loans, ways of insuring against farm risks, and other subjects of practical importance to farmers. The treatment of these subjects is direct, clear, and interesting. Based on their extensive experience, the authors offer suggestions that should prove highly beneficial to the younger generation whose experience is confined mostly to the prosperous 1940's.

The second part is informative but its objective is less clear than that of the first part. It includes a great deal of information as to the organization and legal powers of the various credit agencies, which is valuable for reference purposes but probably would be of little use to a young farmer or vocational student who may be interested principally in learning where he had

best go to obtain a loan. Moreover, it does not clearly relate the advantages or disadvantages of borrowing from the various lenders to such differences in borrowers' circumstances as their financial condition, the type and size of loans they want, and the convenience they may desire in obtaining credit. For advanced students, there is too little analysis of the functions, operations, and experiences of the various credit agencies and insufficient explanation of how the evolution of credit institutions and policies has been related to developments in agriculture and in the economy at large.

The book is clearly written throughout and it is a valuable contribution to the literature of farm business management and agricultural credit.

Fred L. Garlock

Hartley, Robert W., with the collaboration of Eleanor Wolkind and assisted by Maynard Hufschmidt and Sidney Jaffe. America's Capital Requirements, Estimates for 1946-1960. The Twentieth Century Fund, New York. 244 pp. 1950.

This sizable book (there are two columns to the page) is described in its foreword as "a technical supplement to the report on America's Needs and Resources," which was published in 1947 by The Twentieth Century Fund. Although the estimates contained in the volume were utilized in preparing the estimates in America's Needs and Resources, and generally provided valuable background material for its preparation, the method of estimating was developed independently by Mr. Hartley and his associates.

The volume will be of interest mainly to those who are, or are likely to be, engaged in economic investigations involving prognosis, and to those for whom the estimates themselves may have special meaning and usefulness. Both of these groups, although for different reasons, will be particularly interested in the method by which the estimates were made. Fortunately, the authors have spelled out with great care the assumptions and the steps they have taken in estimating the maximum capital requirements in each of 28 selected fields of investment. Thus, investigators who may wish to utilize either the method or the estimates will be able to appraise for themselves the usefulness of the material for their particular purposes.

The main body of the book is divided into five parts. The first, an introduction and summary, contains (1) a statement of the basic assumptions underlying all of the estimates, (2) a description of the general procedure, (3) summaries of past expenditures for capital goods, (4) estimates for future capital requirements, and (5) some conclusions, based on the estimates, which relate to such matters as the sufficiency of investment outlets, the ability of the economy to meet the maximum capital requirements while satisfying the demand for consumer goods, and the priorities that should be given to the various categories of capital expenditures. Part II presents the special assumptions and estimates made separately for 7 fields of urban development. Parts III, IV, and V follow the pattern of Part II and cover respectively, Commercial and Industrial Facilities (5 fields), Transportation (6 fields), and Rural Development (10 fields). The last-mentioned group of fields, which is likely to be of particular interest to students of agriculture, consists of farm housing, farm service buildings, farm machinery and equipment, irrigation, land drainage, land clearing, soil conservation, flood

control, forest protection and development, and rural recreational facilities. The volume concludes with 4 appendices which contain detailed compilations, classifications, computations, and assumptions relevant to one or to all of the fields for which estimates were made.

Maximum capital requirements were estimated when possible in each of 3 categories in the 28 selected fields of capital investment. Thus, estimates were made of requirements representing: (1) Net increases in the supply of capital made necessary by increase in population, by expansion of industrial activity, or by shifts in agricultural development; (2) replacement of plants and equipment because of depreciation or obsolescence; and (3) "accumulated deficiencies," either of wartime origin or of longer standing. The estimates were made in terms of physical units when possible and in dollar amounts expressed in terms of 1940 prices and costs. They are presented in the form of average annual expenditures and in totals for the periods 1946-50, 1951-60, and 1946-60.

The disparities between forecast and fulfillment, which in some cases have turned out to be sizable for the period 1946-50, emphasize the difficulty of foreseeing all relevant developments. Yet it is difficult to think of a better procedure in a project of this kind than the one adopted by the authors. Essentially, this was to observe the historical trends of the phenomena under study, to search out the factors which had significantly influenced those trends, and to attempt to appraise their future influence under assumptions that seemed likely to approximate conditions as they unfolded. Estimates resulting from such a procedure should be about as good as the assumptions - that is, if future conditions and developments have been accurately foreseen, the estimates are likely to be good, but if later conditions and developments differ greatly from the assumptions, the estimates will be wide of the mark. A number of basic assumptions of this study - the size of gross national product and national income in 1950, for instance - which had been decided upon in the survey of America's Needs and Resources, proved to have been exceptionally well made. Others, dealing with the population, proved less accurate. It was probably the inability of the authors to foresee special circumstances which influenced individual fields of investment that was mainly responsible for the serious underestimation in a number of fields.

The difficulties and risks involved in prediction, great as they are, should not discourage investigators from making estimates of this kind. Much of what is done both by private individuals and by governments must be undertaken upon assumptions concerning future developments which may or may not prove to be right. Hence, it is highly desirable that techniques of forecasting be improved and that forecasts be made as painstakingly as possible. This study has made a notable contribution in a field which has sorely needed a quantification of the factors with which it is concerned. Those who in future essay to discuss the sufficiency of investment outlets and related questions must certainly take these estimates into account until better ones are available. Needless to say, such forecasts should be used only after careful examination of the assumptions and methods used by the estimators. For this reason, the detailed explanations in this volume are fully as important as the estimates, even for those who are not interested in method as such.

Alvin S. Tostlebe

Krausz, N. G. P., Operation and Legal Status of Fire Protection Districts in Illinois. University of Illinois, College of Agriculture and Agricultural Experiment Station, Urbana, Ill. 35 pp. July 1950. (Processed.)

This is a pioneer study of the methods employed in Illinois to provide fire protection to rural areas near small urban centers. During the 23 years since passage of enabling legislation, more than 300 fire-protection districts have been organized in the State. Yet, until now, no study of this movement has been made.

The development of these fire-protection district programs in rural areas of Illinois was aided by good paved roads and telephone communications which were available especially in the rich agricultural areas of the State. A majority of the districts are in the northern half of the State and they are particularly numerous in the vicinity of Chicago. Two-thirds of the districts were established in the 6-year period 1945-50.

Two important phases in the history of fire-protection districts are outlined in the study. The first was the enactment of legislation which finally placed the programs on a permanent basis, supported by taxation. Before such legislation was passed there had been some form of volunteer program in a number of rural communities. However, when full cooperation was not maintained, and especially when subscriptions to finance operations were not forthcoming, services often disintegrated.

The second came about with the improvements that were made in rural fire-fighting techniques. This progress was made possible by the design and manufacture of light trucks, outfitted with tanks to haul several hundred gallons of water. Before that time the lack of water in rural areas had been a serious handicap. Also, development of the high-pressure pump with fog-nozzle attachments made it possible in many cases to put out rural fires with relatively small quantities of water.

The study calls attention to a recent difficulty in the initiation of these programs in Illinois caused by the challenging of the constitutionality of the original act. This led, in 1949, to the enactment of new legislation to place the districts on a sounder legal basis. In addition, there was the usual problem of finding ways to furnish efficient service in undeveloped rural areas that are without water supplies and telephone communications, and that have inadequate roads in wet weather or below-freezing temperatures.

The Krausz study raises the question as to the best approach to levying taxes for fire protection in rural areas. For such purposes, farmers generally object to taxes levied on land values in addition to improvements. Land comprises a far greater proportion of the value of farm than of urban real estate. The California Legislature, in recent years, has recognized this problem, and has made it possible for residents in sparsely settled rural areas to petition fire-district authorities to make their fire-tax levies only against the improvements and usually on not more than 5 acres of land on which these improvements are located. However, as the study points out, a factor that tends to offset any disproportionate taxes which farmers may pay, is the contribution made by some village residents in serving as the core of the fire departments. As volunteers, they receive little or no pay and sometimes serve at considerable personal sacrifice.

Originally, the Illinois Act authorizing fire-protection districts provided for levies up to 2 1/2 mills; but when the Revaluation Act of 1945 was passed (it provided for assessments at 100 percent of value), the maximum levy was reduced to 1 1/2 mills. Actually the average tax rate for 61 districts during the year under observation was 0.074 percent (about 3/4 mill), and the average tax payment was about $16 per farm. However, it amounted to only about $3 per village lot. The average annual cost per district was $6,348 for maintaining services and meeting installment payments on equipment. Officials of a number of fire-protection districts believed that after paying for initial purchases, annual operating expenses should not average more than $1,500 per district. Although authorized to do so by law, few districts sell bonds to finance capital investments in fire protection equipment.

It has been widely recognized that isolated, unprotected farm buildings are in many instances totally destroyed when fires occur. But in the Illinois study, although limited to data from 61 districts and covering only 1 year, it was found that only 22.5 percent of the farm-building fires in the protected districts resulted in complete loss. In 9.5 percent of the fires, farmers were able to stop them either before the arrival of the fire companies or without their help. But fire department assistance was helpful in reducing the damage in 68 percent of the building fires.

Some of the results of the study, despite limited data, were particularly interesting to this reviewer. For example, the frequency of farm-building fires was about 1.87 per 100 farms annually, and the average loss per building was about $1,102. Comparable data on the frequency of fires and loss rates are not available for other fire-protection districts. The Illinois study further shows that if all rural fires, including those involving automobiles, grass plots, and brush were included, the frequency would be about 3.5 fires per 100 farms annually. Whereas the frequency of building fires on farms was much lower (3.4 per 1,000 buildings) than in urban centers (6 per 1,000), the average loss ($338) per building fire in urban centers was much less.

It appears to the reviewer that, on the basis of the analysis, perhaps less than a fourth of the farms located in these districts qualified for rate credits on fire-insurance premiums. In 55 districts for which information on rate credits was available, it was found that the average credit (where granted) on farm buildings was about 5 cents per $100 of insurance carried. Such credits depend on the quality of the service the fire department gives as well as on other factors associated with individual farms. For example, the highest credit is granted to the farmer whose property is located not more than 10 miles from a fire station, who maintains a cistern or other water supply of at least 3,000 gallons of water, and who has a telephone with which to communicate an alarm.

No information was given on mutual aid arrangements, whereby fire districts and nearby town fire departments help each other in time of need. This type of cooperation is rapidly gaining ground throughout the country. It should greatly increase efficiency where a few fire companies are attempting to protect large areas. Also it is noted that a trend toward unifying fire control on a county-wide basis is developing in a number of States.

Of 63 Illinois fire-protection districts which reported on equipment, 45 had one fire truck; 12 had two; 5 had three; and 1 had four. Trucks usually carry from 300 to 600 gallons of water. The fire station, which is usually located as near the center of the district as possible, has from 20 to 25 firemen, who are usually volunteers. It was estimated that probably less than half attend each fire call.

This study contributes to a more comprehensive understanding of the little-known field of rural fire protection, especially in directing attention to the major problems involved in administration. However, it does not attempt to present conclusions as to the long-run patterns for organization and administration of rural fire departments. Also, use of the operating-cost figures given must be restricted, as they are for 1 year only. If information as to size of these districts, length of fire-truck runs, and burning rates (reduction in valuations of buildings as a result of fires) had been available, an examination of the relation between size of operating territory and truck distances traveled, on the one hand, and burning rates on the other, would have been possible. An analysis of this kind would be valuable but, so far as the reviewer knows, such information is not available.

It is hoped that the study will lead to other efforts to isolate the factors which facilitate the provision of efficient rural fire protection service at a reasonable cost.

John D. Rush

Federal Revenue Act.- The Federal Revenue Act of 1950 provides for an increase in income tax rates beginning October 1, 1950. For farmers operating on a calendar-year basis, only one-fourth of their income for 1950 will in effect be subject to the increased rates, but all of their 1951 income will be taxed at the higher level.

STATISTICAL APPENDIX

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TABLE 1.- Farm-mortgage debt: Total outstanding and loans held by principal lenders, United States, selected periods 1910-50 1/

Beginning of year or month	Total farm-mortgage debt	Loans held by principal lenders							
		Federal land banks 2/	Federal Farm Mortgage Corporation 2/ 3/	Joint-stock land banks 2/ 4/	Farmers Home Administration 5/	Life insurance companies 2/ 6/	Insured commercial banks 7/	Three State credit agencies 2/ 8/	Individuals and others
	1,000 dol.	1,000 dol.	1,000 dol.	1,000 dol.	1,000 dol.	1,000 dol.	1,000 dol.	1,000 dol.	1,000 dol.
1910	3,207,863					386,961	406,248		2,414,654
1920	8,448,772	293,595		60,838		974,826	1,204,383	9/	5,915,930
1930	9,630,768	1,201,732		637,789		2,118,439	997,468	96,360	4,578,980
1935	7,584,459	1,947,442	616,737	277,820		1,301,562	498,842	66,096	2,876,760
1936	7,422,701	2,113,582	794,147	200,617		1,112,289	487,505	53,795	2,660,936
1937	7,353,963	2,147,768	841,251	162,786		1,015,615	487,534	39,969	2,459,040
1938	6,954,884	2,126,610	824,151	133,554		988,557	501,450	35,362	2,345,200
1939	6,779,318	2,088,478	774,377	114,992	10,218	982,939	519,276	31,872	2,257,166
1940	6,586,399	2,009,820	713,290	91,726	31,927	984,290	534,178	30,294	2,190,882
1941	6,491,435	1,957,184	685,149	73,455	65,294	1,016,479	543,408	29,317	2,121,149
1942	6,372,277	1,880,784	634,885	55,919	114,533	1,063,166	535,212	30,486	2,057,372
1943	5,950,975	1,718,280	543,895	37,015	157,463	1,042,939	476,676	28,794	1,945,953
1944	5,389,880	1,452,886	429,751	10,097	171,763	986,661	448,433	24,082	1,865,407
1945	4,932,942	1,209,676	347,307	5,455	193,377	933,723	449,582	19,872	1,773,950
1946	4,681,720	1,078,952	239,365	3,208	181,861	884,312	507,298	9/	1,786,724
1947	4,777,355	976,748	146,621	1,641	189,300	890,161	683,229	9/	1,889,655
1948	4,881,744	888,933	107,066	645	195,069	936,730	793,476	9/	1,959,825
1949:									
January	5,108,183	868,156	77,920	462	188,893	1,035,719	847,841	9/	2,089,192
July	-	889,239	67,779	405	186,388	1,133,000	878,396	-	-
1950:									
January	5,413,385	906,077	58,650	270	188,855	1,172,157	885,491	9/	2,291,885
July	-	934,873	51,180	0	189,656	1,281,000	918,551	-	-

1/ Excludes Territories and possessions.
2/ 1930-50 includes regular mortgages, purchase-money mortgages, and sales contracts; before 1930, regular mortgages only.
3/ Loans held by Corporation were made on its behalf by Land Bank Commissioner. Authority to make new loans, except incidental to liquidation, expired July 1, 1947.
4/ Joint-stock land banks have been in liquidation since May 12, 1933. Includes banks in receivership.
5/ Successor to Farm Security Administration. Data for 1939-41 include tenant-purchase loans. Thereafter, data include farm-development (special real estate) loans beginning 1942; farm-enlargement loans beginning 1944; and project-liquidation loans beginning 1945. Data also include loans for these purposes from State Corporation trust funds.
6/ Estimates based upon direct reports from life insurance companies, official reports submitted to State insurance commissioners, "Best's Life Insurance Reports," and monthly data from Life Insurance Association of America and Institute of Life Insurance.
7/ 1935-50, insured commercial banks; before 1935, open State and national banks.
8/ Department of Rural Credit of Minnesota, Bank of North Dakota, and Rural Credit Board of South Dakota. Rural Credit Board completed liquidation during 1945.
9/ Included with "others."

TABLE 2.- Farm-mortgage interest rates: Average for all lenders and for principal lenders, United States, January 1, selected years 1910-50 1/

Year	All lenders	Federal land banks and Federal Farm Mortgage Corporation	Life insurance companies	Other lenders			
				Banks	Individuals	Others	All
	Percent	Percent	Percent	Percent	Percent	Percent	Percent
1910	6.0		5.5	6.2	6.0	6.5	6.1
1920	6.1	5.4	5.8	6.5	6.1	6.3	6.2
1930	6.0	5.4	5.7	6.5	6.1	6.1	6.2
1935	5.5	4.6	5.6	6.3	5.9	6.0	6.0
1936	5.1	3.9	5.6	6.2	5.8	5.8	5.8
1937	4.9	4.0	5.5	6.0	5.6	5.6	5.7
1938	4.7	3.7	5.3	5.8	5.5	5.4	5.6
1939	4.6	3.7	5.1	5.7	5.3	5.3	5.4
1940	4.6	3.7	4.9	5.5	5.2	5.1	5.3
1941	4.5	3.5	4.8	5.5	5.2	4.9	5.2
1942	4.4	3.5	4.8	5.4	5.1	4.8	5.1
1943	4.4	3.5	4.7	5.4	5.0	4.6	5.0
1944	4.4	3.5	4.5	5.3	5.0	4.4	4.9
1945	4.5	4.1	4.5	5.2	4.9	4.3	4.8
1946	4.6	4.2	4.4	2/	2/	2/	4.9
1947	4.6	4.2	4.4	2/	2/	2/	4.8
1948	4.6	4.1	4.3	2/	2/	2/	4.8
1949	4.6	4.1	4.3	2/	2/	2/	4.8
1950	4.6	4.1	4.4	2/	2/	2/	4.9

1/ Contract rates, except on loans of Federal land banks, 1934-44, and Federal Farm Mortgage Corporation, 1938-43, which are included at temporarily reduced rates.
2/ Data not available.

TABLE 3.- Farm-mortgage debt: Total outstanding and amounts held by principal lender groups, by States, January 1, 1950

State and division	Total debt	Amounts held by principal lender groups				
		Federal land banks 1/	Federal Farm Mortgage Corporation 1/	Farmers Home Administration 2/	Life insurance companies 1/	Others 3/
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
Maine	20,098	2,670	448	764	16	16,200
New Hampshire	12,094	1,551	159	153	6	10,225
Vermont	28,573	5,615	280	708	359	21,611
Massachusetts	32,924	6,094	741	518	640	24,931
Rhode Island	3,857	912	100	31	13	2,801
Connecticut	23,273	4,788	577	233	791	16,884
New England	120,819	21,630	2,305	2,407	1,825	92,652
New York	162,753	27,011	2,221	2,772	7,901	122,848
New Jersey	54,893	7,851	1,029	1,533	7,849	36,631
Pennsylvania	133,814	11,621	784	3,443	5,256	112,710
Middle Atlantic	351,460	46,483	4,034	7,748	21,006	272,189
Ohio	178,867	17,652	721	3,613	28,049	128,832
Indiana	194,496	22,076	877	3,204	61,419	106,920
Illinois	220,484	52,151	1,350	3,055	91,271	72,637
Michigan	186,067	23,005	1,663	3,218	6,483	151,698
Wisconsin	272,725	34,037	3,673	3,893	12,014	219,108
East North Central	1,052,619	148,921	8,284	16,983	199,236	679,195
Minnesota	244,853	49,057	3,198	6,038	65,461	121,099
Iowa	392,809	82,886	1,512	3,381	177,499	127,531
Missouri	212,192	21,890	1,803	5,113	66,302	114,084
North Dakota	70,026	12,274	2,938	2,450	9,212	43,152
South Dakota	71,729	30,050	1,319	2,155	31,004	7,201
Nebraska	147,788	47,407	1,910	3,198	53,116	42,157
Kansas	156,499	30,224	1,868	5,074	43,349	75,984
West North Central	1,295,896	273,788	14,548	30,409	445,943	531,208
Delaware	11,409	596	49	304	188	10,272
Maryland 4/	53,967	4,144	326	1,432	3,474	44,591
Virginia	94,532	8,517	475	2,600	8,201	74,739
West Virginia	23,574	3,711	264	1,471	400	17,728
North Carolina	97,373	14,443	1,325	6,755	6,653	68,197
South Carolina	52,564	9,877	1,181	6,534	1,045	33,927
Georgia	108,286	16,533	1,736	11,655	10,279	68,083
Florida	63,301	9,686	1,166	1,921	11,460	39,068
South Atlantic	505,006	67,507	6,522	32,672	41,700	356,605
Kentucky	97,870	10,362	643	3,037	20,622	63,206
Tennessee	89,678	10,286	671	5,377	12,191	61,153
Alabama	87,156	19,038	957	9,310	2,604	55,247
Mississippi	122,701	20,239	974	17,194	25,636	58,658
East South Central	397,405	59,925	3,245	34,918	61,053	238,264
Arkansas	93,525	11,201	884	10,424	29,718	41,298
Louisiana	71,214	12,323	674	6,398	9,955	41,864
Oklahoma	134,898	19,418	1,296	9,534	28,169	66,481
Texas	384,711	93,230	4,960	19,776	148,072	118,673
West South Central	674,348	136,172	7,814	46,132	215,914	268,316
Montana	49,357	11,888	1,205	2,774	7,208	26,282
Idaho	74,515	14,421	1,085	2,247	15,160	41,602
Wyoming	36,167	7,879	457	1,160	11,243	15,428
Colorado	96,337	15,581	994	1,728	20,977	57,057
New Mexico	55,950	5,557	394	1,344	22,125	26,530
Arizona	36,403	5,699	332	767	7,650	21,995
Utah	37,204	7,095	591	2,357	2,315	24,846
Nevada	13,824	1,411	70	268	3,478	8,597
Mountain	399,757	69,491	5,128	12,645	90,156	222,337
Washington	96,153	14,158	926	1,562	15,116	64,391
Oregon	100,582	13,669	1,003	1,523	15,135	69,252
California	419,340	54,333	4,841	1,856	65,073	293,237
Pacific	616,075	82,160	6,770	4,941	95,324	426,880
United States	5,413,385	906,077	58,650	188,855	1,172,157	3,087,646

1/ Includes regular mortgages, purchase-money mortgages, and sales contracts.
2/ Successor to Farm Security Administration. Includes tenant-purchase, farm-enlargement, farm-development, and project-liquidation loans, and loans for these purposes from State Corporation trust funds.
3/ Includes loans held by joint-stock land banks, commercial and savings banks, individuals, and miscellaneous lenders. Joint-stock land banks held $270,000 of loans and insured commercial banks held $885,491,000.
4/ Includes District of Columbia.

TABLE 4.- Farm-mortgage loans held by insured commercial banks, by States, January 1 and July 1, 1940, 1945, and 1949-50 1/

State and division	1940		1945		1949		1950	
	January 1	July 1	January 1	July 1	January 1	July 1	January 1	July 1
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
Maine	1,766	1,698	1,411	1,493	3,535	3,552	3,742	3,609
New Hampshire	598	627	605	614	1,481	1,475	1,604	1,460
Vermont	7,748	8,161	6,608	7,197	10,650	10,483	10,319	10,171
Massachusetts	1,322	1,301	952	987	1,957	2,047	2,123	2,995
Rhode Island	233	241	309	394	1,117	1,203	1,130	1,275
Connecticut	1,352	1,370	1,280	1,190	2,141	2,151	2,813	3,110
New England	13,019	13,398	11,165	11,875	20,881	20,911	21,731	22,620
New York	15,883	15,210	12,238	12,697	28,511	29,234	29,692	30,549
New Jersey	4,366	4,501	4,160	3,902	6,164	6,500	12,691	7,236
Pennsylvania	25,388	26,098	20,733	21,392	43,858	46,497	47,200	47,244
Middle Atlantic	45,637	45,809	37,131	37,991	78,533	82,231	89,583	85,029
Ohio	39,921	40,602	37,413	40,078	70,253	69,676	69,965	72,330
Indiana	21,704	22,394	24,846	27,609	43,394	43,107	43,374	44,458
Illinois	23,814	23,925	20,381	21,883	31,968	32,188	32,044	33,487
Michigan	14,452	15,277	15,678	17,426	35,679	36,167	36,113	37,103
Wisconsin	23,581	24,643	25,110	26,260	44,573	47,156	48,042	50,811
East North Central	123,472	126,841	123,428	133,256	225,867	228,294	229,538	238,189
Minnesota	19,226	19,852	18,215	18,847	29,045	30,365	31,452	32,706
Iowa	44,260	46,080	38,844	41,018	47,120	48,873	49,532	52,244
Missouri	19,011	19,621	22,235	23,113	35,669	37,230	36,121	38,495
North Dakota	1,388	1,285	727	970	2,444	2,848	2,801	3,287
South Dakota	1,939	2,078	2,187	2,432	3,472	3,856	4,043	4,263
Nebraska	7,511	7,741	5,538	5,892	7,924	8,287	8,415	8,751
Kansas	10,571	10,786	8,287	9,168	14,706	15,416	15,745	16,841
West North Central	103,906	107,443	96,033	101,440	140,380	146,875	148,109	156,587
Delaware	3,312	3,414	2,930	2,770	5,987	6,165	6,603	6,602
Maryland	9,903	9,977	8,588	8,755	15,210	16,064	16,132	16,034
District of Columbia	94	101	58	44	140	111	118	167
Virginia	16,619	16,639	13,393	13,404	27,718	27,805	28,177	27,810
West Virginia	5,441	5,651	4,641	4,584	10,124	9,942	10,170	10,501
North Carolina	8,481	8,983	9,854	10,633	19,196	21,448	20,649	24,110
South Carolina	1,689	1,682	1,689	2,056	4,887	5,545	5,822	6,173
Georgia	6,803	7,306	6,492	7,997	16,919	20,268	19,013	21,912
Florida	2,864	2,783	2,763	2,798	6,750	6,130	6,482	6,433
South Atlantic	55,211	56,536	50,368	53,041	106,931	113,478	113,166	119,742
Kentucky	22,535	23,680	20,167	20,982	42,206	43,286	45,010	45,768
Tennessee	11,824	12,447	12,611	13,797	27,678	29,426	29,489	30,682
Alabama	4,822	5,301	4,439	4,944	12,755	14,516	14,319	15,841
Mississippi	8,159	8,477	5,551	6,355	11,610	13,639	13,467	15,569
East South Central	47,340	49,905	42,768	46,078	94,249	100,867	102,285	107,860
Arkansas	3,503	3,635	3,406	4,313	9,266	10,193	9,205	10,397
Louisiana	6,069	6,427	4,399	4,840	9,506	10,524	10,332	11,545
Oklahoma	4,224	4,321	4,433	5,177	9,573	10,001	9,726	9,682
Texas	11,322	11,240	11,651	13,273	26,736	26,664	26,365	26,786
West South Central	25,118	25,623	23,889	27,603	55,081	57,382	55,828	58,410
Montana	949	1,046	899	1,046	2,169	2,412	2,316	2,650
Idaho	1,144	1,315	1,082	1,542	3,686	3,939	3,812	4,270
Wyoming	904	991	926	1,199	2,055	2,016	1,942	2,318
Colorado	2,274	2,551	1,964	2,639	4,743	4,711	4,697	5,138
New Mexico	484	543	728	898	1,898	2,051	2,188	2,146
Arizona	1,046	870	456	1,091	2,223	2,208	2,025	2,480
Utah	2,822	3,020	3,139	3,609	7,060	7,580	7,150	8,290
Nevada	387	380	465	490	1,274	1,223	1,025	1,049
Mountain	10,010	10,716	9,659	12,514	25,108	26,140	25,155	28,341
Washington	4,762	4,780	5,686	6,926	12,984	13,723	13,947	14,004
Oregon	2,224	2,061	1,448	1,823	8,288	8,812	8,492	9,043
California	103,471	100,340	48,007	50,974	79,539	79,683	77,657	78,726
Pacific	110,457	107,181	55,141	59,723	100,811	102,218	100,096	101,773
United States	534,170	543,472	449,582	483,521	847,841	878,396	885,491	918,551
Possessions 2/	103	114	32	31	71	80	126	1,822

1/ Loans are classified according to location of bank and, therefore, are not strictly comparable by States with data for other lenders, which are classified according to location of security. Data for 1935 and subsequent intervening years available in earlier issues of the Agricultural Finance Review.

2/ Alaska, Hawaii, and Virgin Islands.

Federal Deposit Insurance Corporation.

TABLE 5.- Farmers Home Administration: Number and amount of loans outstanding, by types and by States, July 1, 1950 1/

State and division	Loans to individuals								Loans to cooperatives	Total loans
	Farm ownership 2/		Operating							
			Production and subsistence 3/		Disaster 4/		Emergency crop and feed			
	Borrowers	Amount	Borrowers 5/	Amount	Borrowers 4/	Amount	Loans 6/	Amount		
	Number	1,000 dol.	Number	1,000 dol.	Number	1,000 dol.	Number	1,000 dol.	1,000 dol.	1,000 dol.
Maine	148	770	2,576	3,319	83	112	1,498	279	2	4,482
New Hampshire	27	151	705	964	17	67	145	18	0	1,200
Vermont	120	709	781	1,211	67	118	346	38	4	2,080
Massachusetts	65	518	437	523	49	152	134	22	0	1,215
Rhode Island	4	30	111	106	16	46	2	7/	0	182
Connecticut	27	252	147	155	25	78	88	15	0	500
New England	391	2,480	4,757	6,278	257	573	2,207	372	2	9,649
New York	588	2,810	4,958	6,359	216	670	893	123	200	10,162
New Jersey	193	1,378	1,898	2,413	139	386	465	61	301	4,739
Pennsylvania	666	4,429	4,332	4,891	88	86	1,835	164	0	9,401
Middle Atlantic	1,447	7,810	11,188	13,663	443	1,042	3,193	348	501	23,404
Ohio	619	3,643	5,723	4,473	18	7	1,998	169	13	8,305
Indiana	507	3,142	3,646	3,269	27	28	947	134	4	6,577
Illinois	463	2,850	4,848	4,965	71	287	1,083	147	23	8,272
Michigan	601	3,166	7,189	7,104	99	223	3,166	288	8	10,789
Wisconsin	575	3,844	6,266	6,955	784	1,305	6,306	581	13	12,698
East North Central	3,165	16,645	27,672	26,766	999	1,850	13,500	1,319	61	46,641
Minnesota	1,432	6,017	9,767	9,264	602	341	16,946	2,447	44	18,113
Iowa	559	3,593	3,803	4,263	40	9	77	15	15	7,895
Missouri	1,631	8,436	12,188	8,674	597	646	9,668	818	211	18,787
North Dakota	403	2,440	11,264	6,364	1,653	787	88,429	16,792	168	26,551
South Dakota	388	2,065	15,554	8,684	895	545	36,086	7,874	20	19,188
Nebraska	397	3,118	5,572	5,732	67	22	8,844	1,602	132	10,606
Kansas	718	5,112	7,665	6,762	734	590	11,893	1,914	126	14,504
West North Central	5,528	30,781	65,813	49,743	4,588	2,940	171,943	31,462	716	115,584
Delaware	54	298	343	324	3	2	357	37	0	655
Maryland	222	1,431	2,424	2,213	39	27	2,230	255	6	3,932
Virginia	580	2,530	7,648	3,258	88	306	11,333	824	130	7,048
West Virginia	365	1,462	3,692	1,847	22	8	1,533	98	0	3,415
North Carolina	2,008	6,682	15,783	7,478	1,147	511	5,030	390	456	15,517
South Carolina	2,003	6,516	23,042	9,471	2,591	1,535	16,737	1,110	248	18,880
Georgia	3,696	11,668	27,878	13,522	3,194	2,731	20,678	1,218	704	29,843
Florida	466	1,893	9,257	4,972	242	741	6,410	787	252	8,622
South Atlantic	9,394	32,474	90,767	43,058	7,326	5,861	64,308	4,689	1,796	87,912
Kentucky	558	2,801	8,118	3,633	13	3	2,563	190	0	6,587
Tennessee	1,241	5,283	7,986	3,360	709	264	9,331	439	29	9,375
Alabama	2,795	9,320	24,424	11,931	1,944	1,160	8,006	613	653	23,677
Mississippi	1,686	17,357	28,758	12,895	4,510	5,755	12,638	759	165	36,861
East South Central	6,280	34,761	69,286	31,749	7,176	7,182	32,538	1,961	847	76,500
Arkansas	3,023	11,040	29,015	12,503	3,934	6,075	49,923	2,148	601	32,367
Louisiana	1,600	6,353	16,382	7,350	430	653	23,599	1,210	401	15,967
Oklahoma	1,982	9,325	17,936	13,830	1,265	535	10,649	872	40	24,602
Texas	3,103	18,934	35,952	24,062	1,289	3,599	40,530	4,093	321	51,009
West South Central	9,708	45,652	99,285	57,745	6,918	10,862	124,701	8,323	1,363	123,945
Montana	431	2,774	4,530	6,980	310	721	24,167	4,243	745	15,463
Idaho	307	2,303	3,863	5,029	165	734	3,286	404	329	8,799
Wyoming	198	1,149	3,498	5,103	83	672	2,795	559	98	7,575
Colorado	295	1,658	6,424	7,443	148	738	8,189	1,861	375	11,529
New Mexico	165	1,323	5,019	4,341	64	40	6,568	1,063	296	7,023
Arizona	73	740	1,193	1,241	44	68	915	141	193	2,383
Utah	251	2,344	2,786	3,206	88	536	1,553	213	433	6,732
Nevada	26	266	348	426	33	284	81	80	144	1,208
Mountain	1,496	12,557	27,661	33,837	935	3,847	49,554	7,904	2,567	60,712
Washington	216	1,548	5,702	5,727	206	1,004	11,846	2,266	75	10,620
Oregon	224	1,458	3,330	3,368	111	382	5,662	994	87	6,289
California	217	1,849	7,030	6,716	471	1,601	9,072	1,460	129	11,748
Pacific	657	4,855	16,062	15,811	788	2,987	26,580	4,720	291	28,657
United States	40,065	187,950	412,381	278,684	30,070	37,184	487,924	61,098	8,148	573,064
Possessions 8/	709	3,497	10,985	3,415	0	0	744	104	217	7,233

1/ Data represent activity of Farmers Home Administration and its predecessor agencies.
2/ As of April 1, 1950. Includes tenant-purchase, farm-enlargement, farm-development, and project-liquidation loans and any such loans from State Corporation trust funds. On July 1, 1950 farm-ownership loans in continental United States totaled $189,655,587, and in possessions $3,546,367. Excludes insured loans.
3/ Also includes rural rehabilitation, water facilities, construction, and wartime adjustment loans, and any such loans from State Corporation trust funds.
4/ Some duplication of borrowers exists if more than one type of loan was made to a single borrower.
5/ Also includes flood damage, fur, flood and windstorm restoration and loans made through RACC and transferred to FHA April 15, 1949 for liquidation.
6/ Number of unpaid loan accounts; they do not represent individuals since one borrower may have two or more loans outstanding.
7/ Less than $500.
8/ Alaska, Hawaii, Puerto Rico and Virgin Islands.

Farmers Home Administration.

TABLE 6.- Federal land banks and Federal Farm Mortgage Corporation: Loans outstanding, principal repayments, other deductions, and loans closed, United States, 1935-50 1/

TABLE 6 .- Federal land banks and Federal Farm Mortgage Corporation: Loans outstanding, principal repayments, other deductions, and loans closed, United States, 1935-50 1/

FEDERAL LAND BANKS

Year and quarter	Loans outstanding at beginning of year or quarter	Decreases in loans			Loans closed 2/	Net change in outstanding loans	Loans outstanding at end of year or quarter
		Principal repayments 2/ 3/	Other deductions (net) 3/ 4/	Total			
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
1935	1,915,792	41,991	50,547	92,538	248,671	156,133	2,071,925
1936	2,071,925	51,592	65,345	116,937	109,170	-7,767	2,064,158
1937	2,064,158	67,380	24,563	91,943	63,092	-28,851	2,035,307
1938	2,035,307	69,586	34,916	104,502	51,419	-53,083	1,982,224
1939	1,982,224	92,450	36,701	129,151	51,582	-77,569	1,904,655
1940	1,904,655	97,413	20,299	117,712	64,275	-53,437	1,851,218
1941	1,851,218	128,704	23,184	151,888	65,068	-86,820	1,764,398
1942	1,764,398	196,898	18,628	215,526	53,974	-161,552	1,602,846
1943	1,602,846	294,093	12,710	306,809	61,900	-244,909	1,357,937
1944	1,357,937	275,722	15,562	291,284	70,275	-221,009	1,136,928
1945	1,136,928	221,624	5/ 18,209	5/ 239,833	5/ 130,492	-109,341	1,027,587
1946	1,027,587	225,305	5/ 26,748	5/ 252,053	5/ 168,887	-83,166	944,421
1947	944,421	130,234	31,207	221,441	146,445	-74,996	869,425
1948	869,425	114,361	52,448	166,829	153,977	-12,852	856,573
1949:							
Jan.-Mar.	856,573	20,703	17,782	38,485	47,997	9,512	866,085
Apr.-June	866,085	15,009	18,368	33,377	47,430	14,053	880,138
July-Sept.	880,138	13,073	16,887	29,960	19,418	9,458	889,596
Oct.-Dec.	889,596	16,928	23,077	40,005	49,884	9,879	899,475
1950:							
Jan.-Mar.	899,475	21,301	21,798	43,099	59,615	16,516	915,991
Apr.-June	915,991	16,714	20,484	37,198	51,911	14,713	930,704

FEDERAL FARM MORTGAGE CORPORATION 6/

1935	616,825	11,955	6,540	18,495	196,396	177,901	794,726
1936	794,726	23,556	11,650	35,206	77,258	42,052	836,778
1937	836,778	46,513	17,536	64,049	40,020	-24,029	812,749
1938	812,749	57,824	31,469	89,293	29,395	-59,898	752,851
1939	752,851	64,005	25,383	89,388	27,417	-61,971	690,880
1940	690,880	61,183	18,065	79,248	36,684	-42,564	648,296
1941	648,296	76,373	12,653	89,026	37,532	-51,494	596,802
1942	596,802	106,113	7,026	113,139	28,534	-84,605	512,197
1943	512,197	133,021	3,483	136,504	30,497	-106,007	406,190
1944	406,190	108,007	3,500	111,507	35,017	-76,490	329,700
1945	329,700	127,348	3,417	130,765	29,462	-101,303	228,397
1946	228,397	101,278	2,027	103,305	15,035	-88,270	140,127
1947	140,127	45,970	1,568	47,538	7/ 10,606	-36,932	103,195
1948	103,195	22,769	5,206	27,975	7/ 17	-27,958	75,237
1949:							
Jan.-Mar.	75,237	3,134	1,810	4,944	7/ 2	-4,942	70,295
Apr.-June	70,295	3,162	1,640	4,802	7/ 4	-4,798	65,497
July-Sept.	65,497	2,332	1,489	3,821	7/ 8	-3,813	61,684
Oct.-Dec.	61,684	2,517	2,446	4,963	7/ 5	-4,958	56,726
1950:							
Jan.-Mar.	56,726	2,410	1,483	3,893	7/ 1	-3,892	52,834
Apr.-June	52,834	2,054	1,298	3,352	7/ 12	-3,340	49,494

1/ Excludes purchase-money mortgages and sales contracts. Includes Puerto Rico. 2/ "Principal repayments" to the Federal Farm Mortgage Corporation include loans taken over by the Federal land banks, which loans in turn are included in "loans closed" by the land banks. 3/ Beginning July 1948, "principal repayments" include repayments of unmatured principal only; repayments of matured principal are included in "other deductions." 4/ Includes foreclosures, voluntary deeds, loans in process of foreclosure, etc., less increases in loans by reason of reamortizations, reinstatements, etc. 5/ Revised. 6/ Loans of the Federal Farm Mortgage Corporation were made on its behalf by the Land Bank Commissioner. Authority to make new loans expired July 1, 1947. 7/ Loans closed on or after July 1, 1947, are loans for which commitments were made before that date or represent refinancing of existing loans.

Farm Credit Administration.

TABLE 7.-- Federal land banks and Federal Farm Mortgage Corporation: Number of loans delinquent as percentage of number outstanding, by States, January 1, selected years 1930-50 1/

State and division	Federal land banks								Federal Farm Mortgage Corporation 2/						
	1930	1934	1940	1944	1946	1948	1949	1950	1934	1940	1944	1946	1948	1949	1950
	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.
Maine	4.6	47.6	43.5	15.9	13.0	8.9	4.7	7.3	0.0	54.9	21.2	15.7	11.9	9.3	11.8
New Hampshire	.6	14.8	10.9	4.9	7.8	8.7	6.3	5.5	.0	21.2	10.3	12.0	15.9	11.1	14.6
Vermont	7.5	32.6	18.9	6.4	7.3	9.6	8.0	11.0	.0	27.9	9.6	9.0	14.4	14.1	19.5
Massachusetts	1.6	14.4	11.6	4.1	3.8	3.9	3.6	4.9	1.0	22.4	10.2	7.2	8.1	7.1	9.5
Rhode Island	.0	10.8	14.0	6.3	5.1	5.5	3.9	3.7	3.6	24.3	10.6	8.2	13.0	10.3	5.9
Connecticut	1.5	19.2	11.6	5.2	4.5	6.2	5.4	4.6	.7	19.7	7.3	7.5	11.5	8.2	8.7
New England	3.6	29.1	21.2	7.4	6.6	6.8	5.3	6.6	.5	31.3	11.8	9.6	11.6	9.5	11.9
New York	4.6	27.2	17.8	5.5	6.0	6.2	4.9	5.5	.8	25.0	7.9	7.9	9.5	8.3	9.7
New Jersey	3.6	26.9	15.2	4.5	5.2	6.4	5.6	6.1	.8	25.8	7.5	7.4	10.3	9.5	10.8
Pennsylvania	6.1	32.0	10.7	10.0	7.5	4.2	3.6	4.7	.0	12.8	6.2	6.9	5.1	5.4	9.0
Middle Atlantic	5.1	29.0	15.0	6.8	6.3	5.6	4.6	5.3	.3	21.0	7.3	7.5	8.6	7.9	9.8
Ohio	.9	29.6	8.6	3.9	2.8	2.6	2.5	2.5	4.5	13.5	4.7	4.7	6.9	6.2	7.1
Indiana	1.5	35.5	7.3	2.3	2.1	1.9	2.1	2.2	2.2	9.1	2.5	2.9	3.7	4.1	5.3
Illinois	2.9	46.1	7.5	2.8	3.8	1.9	2.3	2.7	.1	11.4	3.4	9.2	4.9	6.0	6.6
Michigan	7.4	50.6	13.6	5.1	4.3	4.1	4.7	5.7	.0	19.3	6.4	7.2	7.8	8.9	13.3
Wisconsin	7.8	51.5	27.5	7.9	4.4	4.1	5.0	6.7	.1	40.2	11.9	9.2	8.2	10.1	16.5
East North Central	3.9	42.1	12.9	4.4	3.5	2.9	3.4	4.1	.9	20.6	6.4	7.0	6.8	7.9	11.8
Minnesota	6.5	42.8	20.7	5.1	3.3	2.7	3.2	4.9	.2	31.1	7.9	6.6	5.2	6.0	10.0
Iowa	1.2	36.0	13.8	3.6	3.2	1.8	1.3	2.1	.1	17.4	5.1	10.1	5.0	3.8	5.8
Missouri	12.6	45.9	12.5	6.1	4.1	2.3	2.3	2.5	.1	14.8	4.6	5.5	3.9	3.6	3.8
North Dakota	9.3	67.4	72.8	28.0	6.4	3.5	4.2	6.3	.0	86.3	35.8	10.0	4.4	4.9	10.4
South Dakota	3.9	65.9	40.1	11.6	3.1	1.6	1.5	2.4	.0	50.8	15.3	7.4	4.0	4.3	6.4
Nebraska	2.4	36.8	43.5	16.5	6.9	1.8	1.8	2.6	.1	53.3	22.3	15.2	4.3	4.5	5.3
Kansas	1.8	39.8	17.4	8.1	3.8	2.3	2.5	1.8	.0	50.7	9.1	7.4	6.3	7.1	10.2
West North Central	4.2	46.0	32.5	10.0	4.2	2.2	2.2	3.3	.1	42.5	13.1	8.5	4.8	5.0	7.9
Delaware	3.6	36.4	8.6	3.3	2.0	.5	3.2	1.1	.0	14.3	2.6	2.8	1.1	6.8	.0
Maryland	4.2	30.1	12.7	5.6	5.7	2.6	3.8	4.0	.0	19.1	6.5	8.6	4.6	7.4	7.4
Virginia	5.1	44.4	11.8	8.6	7.1	5.6	6.2	5.6	.0	17.7	8.0	7.2	6.4	8.5	8.5
West Virginia	4.8	42.3	9.4	5.6	5.9	4.6	4.7	5.4	.0	13.4	6.9	6.6	6.4	7.0	8.4
North Carolina	8.3	56.6	25.6	10.8	11.4	12.5	11.7	12.4	2.4	29.6	9.7	13.4	16.7	18.2	19.6
South Carolina	20.6	57.1	35.5	17.3	16.9	15.6	14.7	19.6	5.2	36.9	18.0	19.2	22.5	23.3	30.6
Georgia	10.2	61.5	35.7	11.0	11.8	12.8	13.0	15.3	1.9	32.9	10.8	12.5	17.9	18.2	22.6
Florida	6.4	52.9	29.1	6.4	4.7	5.9	6.5	5.9	.3	14.7	5.7	6.2	8.3	11.4	11.0
South Atlantic	8.9	52.3	24.7	10.2	10.3	10.6	10.6	12.2	1.9	27.9	10.7	12.6	15.8	17.0	20.0
Kentucky	2.0	43.9	13.5	4.1	5.0	3.7	4.0	4.2	11.7	18.0	4.7	6.0	5.6	5.5	8.1
Tennessee	1.6	40.3	9.9	5.0	6.2	4.8	5.0	5.7	5.1	13.5	4.9	6.8	6.4	6.5	7.4
Alabama	12.7	60.8	32.0	10.4	9.9	8.9	7.9	13.1	.0	44.8	9.6	9.9	10.9	11.9	20.6
Mississippi	11.9	73.8	33.7	10.4	12.8	11.1	8.3	18.0	.0	48.5	10.1	14.0	16.3	14.0	29.9
East South Central	9.1	58.9	23.9	8.1	9.1	8.1	7.0	12.4	3.9	31.4	7.6	9.8	11.2	10.7	19.5
Arkansas	3.3	67.2	8.4	4.2	6.3	3.4	3.4	5.1	.0	9.9	4.2	8.5	5.4	5.0	8.3
Louisiana	11.5	69.0	25.7	13.2	14.2	12.6	11.7	13.3	.0	31.4	12.0	16.6	15.0	15.5	19.6
Oklahoma	6.9	39.5	18.1	7.7	5.6	3.6	2.9	3.5	.0	27.9	9.4	7.9	7.1	6.1	6.2
Texas	.7	42.2	18.7	5.0	3.3	.2	.2	.1	.0	17.5	5.4	7.3	2.1	3.8	3.1
West South Central	3.2	49.0	18.3	6.1	4.9	2.2	2.1	2.5	.0	20.2	6.7	8.4	5.0	5.6	6.0
Montana	9.3	61.5	34.6	11.1	8.7	5.8	6.6	10.5	.0	37.0	9.4	10.5	8.1	14.0	16.6
Idaho	6.7	55.5	20.5	5.9	6.9	4.9	6.7	10.2	.0	27.5	8.1	9.9	7.4	12.0	14.8
Wyoming	3.0	43.4	23.5	10.3	7.7	4.4	4.5	6.4	1.3	31.7	14.1	12.5	8.0	6.8	12.8
Colorado	5.6	55.0	28.1	11.9	8.4	4.6	6.2	6.9	.0	35.0	11.9	10.9	6.8	10.0	10.9
New Mexico	5.2	36.1	12.9	6.4	6.3	6.9	5.6	4.7	.0	20.1	5.8	10.8	11.3	7.3	8.1
Arizona	1.9	61.5	22.0	8.6	7.4	6.1	8.2	8.9	.6	21.6	9.5	10.0	7.9	15.2	13.4
Utah	4.1	70.0	29.5	6.0	8.3	6.5	7.0	6.8	1.5	39.2	8.2	11.3	9.4	11.1	11.7
Nevada	2.0	56.1	26.2	10.1	6.3	3.4	2.8	2.4	.0	23.7	7.2	7.8	6.0	6.1	6.9
Mountain	5.9	55.5	25.1	8.7	7.7	5.4	6.3	8.0	.4	32.3	9.8	10.8	8.0	11.1	13.0
Washington	6.8	46.4	15.5	4.9	5.9	6.4	7.7	11.5	.4	21.7	5.7	7.3	9.3	13.9	15.9
Oregon	6.4	49.6	17.7	4.2	4.2	3.9	5.1	8.1	.0	22.2	5.5	6.5	5.9	9.8	10.7
California	1.4	40.0	21.4	4.1	3.2	3.2	4.1	5.2	.5	27.3	5.2	4.7	5.6	7.7	10.4
Pacific	5.1	44.9	18.8	4.4	4.1	4.2	5.2	7.4	.4	25.4	5.3	5.4	6.3	9.2	11.4
United States	5.5	48.5	22.5	7.5	5.6	4.4	4.4	5.9	1.0	29.7	9.2	8.9	8.3	9.0	11.9

1/ Includes all loans with unpaid matured installments even though such installments may have been extended or deferred.
2/ Loans held by the Federal Farm Mortgage Corporation were made on its behalf by the Land Bank Commissioner.

Farm Credit Administration.

TABLE 8 .- Farm-mortgage loans made or recorded by principal lenders, United States, 1910-50 1/

Period	Total all lenders	Loans made 2/				Mortgages recorded 3/		
		Federal land banks	Federal Farm Mortgage Corporation 4/	Joint-stock land banks 5/	Farmers Home Administration 6/	Insurance companies 7/	Commercial and savings banks	Individuals and miscellaneous
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
1910	1,249,885	-	-	-	-	105,359	207,734	936,792
1911	1,326,774	-	-	-	-	121,335	234,544	970,895
1912	1,373,337	-	-	-	-	143,758	252,073	977,506
1913	1,401,103	-	-	-	-	110,527	252,445	1,038,131
1914	1,397,497	-	-	-	-	120,441	270,357	1,006,699
1915	1,487,746	-	-	-	-	184,284	313,707	989,755
1916	1,837,273	-	-	-	-	235,051	454,716	1,147,506
1917	2,006,151	39,112	-	1,890	-	259,695	404,213	1,301,241
1918	1,951,702	118,130	-	6,600	-	161,520	316,764	1,348,688
1919	2,943,845	144,987	-	53,030	-	214,159	540,463	1,991,206
1920	3,625,780	66,985	-	19,324	-	386,788	663,202	2,489,481
1921	2,578,656	91,030	-	9,335	-	292,792	654,521	1,530,978
1922	2,505,986	224,301	-	138,685	-	340,932	578,067	1,224,001
1923	2,493,734	190,271	-	189,748	-	451,579	546,458	1,115,678
1924	2,072,970	162,475	-	74,567	-	346,110	475,654	1,014,144
1925	2,180,184	124,809	-	131,431	-	347,625	475,991	1,100,328
1926	2,033,061	128,978	-	123,026	-	335,128	433,362	1,012,567
1927	1,775,579	138,424	-	83,719	-	250,529	397,286	905,621
1928	1,664,802	100,615	-	40,572	-	223,185	396,167	902,263
1929	1,462,692	63,004	-	18,186	-	203,346	343,532	834,624
1930	1,364,625	47,146	-	5,236	-	173,665	355,232	783,346
1931	1,199,938	41,814	-	5,407	-	127,509	327,594	697,614
1932	903,341	27,516	-	2,181	-	74,760	263,336	535,548
1933	822,976	151,585	70,812	739	-	46,002	167,109	386,729
1934	1,820,374	730,134	553,048	-	-	53,422	130,583	353,187
1935	1,061,693	247,610	195,869	-	-	78,033	176,496	363,685
1936	802,394	108,602	76,887	-	-	114,905	186,109	315,891
1937	757,728	62,831	39,707	-	-	128,164	212,801	314,225
1938	723,189	51,237	29,152	-	10,217	137,353	209,925	285,305
1939	729,008	51,461	27,230	-	26,255	137,915	217,821	268,326
1940	772,462	63,926	36,391	-	39,060	145,483	219,835	267,767
1941	833,996	64,726	37,308	-	59,595	160,395	221,310	290,662
1942	762,813	53,599	28,242	-	34,909	154,497	191,023	300,543
1943	915,803	61,232	30,077	-	8/ 32,514	167,038	233,074	391,868
1944	970,974	69,418	34,469	-	8/ 36,801	160,688	255,343	414,255
1945	1,054,430	91,889	28,692	-	16,734	145,121	312,780	459,214
1946	1,486,208	128,572	14,611	-	47,393	199,752	521,872	574,008
1947	1,440,140	137,282	10,345	-	26,766	230,751	487,092	547,904
1948	1,427,045	148,574	17	-	18,985	258,928	436,395	564,146
1949:								
Jan.-June	777,659	92,945	6	-	5,338	161,921	211,420	306,029
July-Dec.	630,881	87,680	13	-	10,098	114,845	185,046	233,199
1950:								
Jan.-June	872,395	109,978	13	-	4,347	191,770	243,872	322,415

1/ Excludes Territories and possessions.

2/ Figures are those reported by Farm Credit Administration and Farmers Home Administration, except that figures for joint-stock land banks for 1917-20 were partially estimated by Bureau of Agricultural Economics. Data are for loans on regular mortgages only, excluding purchase-money mortgages and sales contracts.

3/ Figures for 1910-33 are estimates of Bureau of Agricultural Economics, those for 1936-50 of Farm Credit Administration, and those for 1934-35 of both organizations jointly. Data include regular mortgages, purchase-money mortgages, and sales contracts.

4/ Loans were made on Corporation's behalf by Land Bank Commissioner. Authority to make new loans, except those incidental to liquidation, expired July 1, 1947.

5/ Includes joint-stock land banks in receivership. Active banks were placed in liquidation May 12, 1933. Loans made thereafter incidental to liquidation are included with those recorded by "miscellaneous" lenders.

6/ Successor to Farm Security Administration. Includes tenant-purchase, farm-enlargement, farm-development, and project-liquidation loans, and similar loans from State Corporation trust funds. Figures represent amounts advanced for project-liquidation loans and amounts obligated for all other types of loans.

7/ Excludes mortgages recorded in New England States, which are too few to classify separately and are included with "miscellaneous" lenders.

8/ Some loans made in 1943, for which separate data are not available, are included in 1944.

TABLE 9.- Farm-mortgage interest charges: Total and amount per acre, United States, 1910-49 1/

Year	Total interest charges	Interest charges per acre 2/		Year	Total interest charges	Interest charges per acre 2/	
		Amount	Index (1910-14=100)			Amount	Index (1910-14=100)
	1,000 dollars	Cents			1,000 dollars	Cents	
1910	203,188	23.0	83	1930	569,756	57.3	206
1911	225,351	25.3	91	1931	553,008	54.9	197
1912	251,745	28.0	101	1932	525,760	51.5	185
1913	276,294	30.5	109	1933	472,283	45.7	164
1914	296,236	32.4	116	1934	430,420	41.1	147
1915	314,255	34.1	122	1935	396,092	37.5	135
1916	340,532	36.7	132	1936	364,474	34.5	124
1917	378,309	40.4	145	1937	340,730	32.2	116
1918	417,032	44.2	159	1938	320,094	30.2	108
1919	476,312	50.0	180	1939	305,449	28.8	103
1920	574,090	60.3	216	1940	293,091	27.4	98
1921	652,656	69.0	248	1941	284,294	26.2	94
1922	679,904	72.3	260	1942	271,847	24.7	89
1923	679,220	72.7	261	1943	245,817	22.0	79
1924	646,838	69.7	250	1944	230,165	20.3	73
1925	611,612	65.7	236	1945	220,113	19.3	69
1926	598,244	63.4	228	1946	216,337	19.0	68
1927	593,006	62.1	223	1947	221,542	19.4	70
1928	589,530	60.9	219	1948	229,284	20.1	72
1929	581,999	59.4	213	1949	242,392	21.2	76

1/ Estimated as payable during calendar year. Excludes amounts paid by Secretary of the Treasury to Federal land banks, 1933-44, and Federal Farm Mortgage Corporation, 1937-45, as reimbursement for interest reductions granted borrowers.

2/ Based on acreage in all farms, whether mortgaged or free of debt, determined for the midpoint of each year by a straight-line interpolation between quinquennial censuses.

TABLE 10.- Farm-mortgage interest charges, by geographic divisions, selected years, 1910-49 1/

Year	United States	New England	Middle Atlantic	East North Central	West North Central	South Atlantic	East South Central	West South Central	Mountain	Pacific
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
1910	203,188	3,992	14,715	46,373	77,492	8,910	8,052	21,358	8,666	13,630
1920	574,090	6,800	23,842	104,405	231,070	29,142	25,430	61,596	47,178	44,627
1930	569,756	10,086	26,866	107,039	198,084	31,974	25,961	72,072	38,691	58,983
1935	396,092	9,338	22,269	78,630	134,923	21,894	18,758	47,081	25,014	38,185
1936	364,474	8,765	21,113	73,470	121,544	20,912	18,391	42,162	22,677	35,440
1937	340,730	8,332	20,289	69,501	110,886	20,169	18,022	38,793	20,854	33,884
1938	320,094	7,890	19,485	66,050	102,235	19,733	18,100	35,627	19,020	31,954
1939	305,449	7,503	18,771	64,225	95,869	19,606	18,207	33,270	17,575	30,423
1940	293,091	7,181	17,909	62,260	90,648	19,199	18,236	31,754	16,769	29,135
1941	284,294	6,819	17,228	60,226	87,726	19,048	18,096	31,314	16,116	27,721
1942	271,847	6,425	16,543	57,139	84,369	18,471	17,396	30,308	15,038	26,158
1943	245,817	5,939	15,340	50,832	76,740	17,085	15,640	27,188	13,311	23,742
1944	230,165	5,650	14,359	46,845	71,152	16,359	14,728	25,659	12,944	22,769
1945	220,113	5,473	13,783	44,224	65,797	16,613	14,657	24,463	12,551	22,552
1946	216,337	5,379	14,023	42,419	60,044	18,424	15,525	24,466	12,972	23,085
1947	221,542	5,484	14,814	42,376	56,113	20,876	16,737	26,285	14,414	24,443
1948	229,284	5,671	15,452	43,260	53,674	22,986	17,897	28,008	16,232	26,104
1949	242,392	5,828	16,085	44,898	54,482	24,984	19,422	30,441	18,136	28,116

1/ Estimated as payable during calendar year. Excludes amounts paid by Secretary of the Treasury to Federal land banks, 1933-44, and Federal Farm Mortgage Corporation, 1937-45, as reimbursement for interest reductions granted borrowers.

TABLE 11.- Farm real estate held by selected lending agencies, United States, January 1, 1930-50

Year	Federal land banks 1/	Federal Farm Mortgage Corporation 1/		Life insurance companies 2/	Joint-stock land banks 3/	Insured commercial banks 4/	Three State credit agencies 5/
		Excluding prior liens	Including prior liens				
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
1930	29,517			107,058	19,685	6/	26,860
1931	36,865			123,403	22,202	6/	33,511
1932	53,586			190,694	37,957	6/	39,008
1933	83,158			287,773	71,741	6/	47,454
1934	96,632			428,331	85,740	6/	56,094
1935	96,655	11	11	558,211	81,700	6/	60,270
1936	119,409	455	455	588,761	78,204	7/ 74,166	61,531
1937	128,893	5,861	10,449	634,005	72,781	69,525	68,444
1938	117,932	14,106	21,646	612,120	62,030	56,311	72,040
1939	115,345	23,884	34,558	607,358	53,885	49,143	71,846
1940	125,800	29,437	40,378	599,653	46,827	42,045	68,324
1941	109,066	25,113	32,780	547,637	36,172	33,373	60,900
1942	73,600	18,217	23,614	441,772	25,130	22,841	53,498
1943	40,435	14,322	19,909	336,233	18,306	8/ 19,532	44,145
1944	16,779	9,067	12,615	205,410	6,605	6/	36,159
1945	6,680	4,314	6,039	119,169	4,201	6/	32,691
1946	1,916	1,451	2,111	81,616	1,601	6/	3,619
1947	487	542	790	33,552	463	6/	6/
1948	171	162	269	13,656	154	6/	6/
1949	76	30	6/	5,867	3	6/	6/
1950	85	45	6/	3,028	9/	6/	6/

1/ Investment. Also includes sheriffs' certificates and judgments.
2/ Book value. Partially estimated.
3/ Carrying value. Also includes sheriffs' certificates and judgments. Real estate held by banks in receivership included at book value.
4/ Book value.
5/ Investment. Department of Rural Credit of Minnesota, Bank of North Dakota, and Rural Credit Board of South Dakota. The large reduction during 1945 reflects a charge-off of approximately $27,000,000 of cumulated losses by the Rural Credit Board of South Dakota upon completion of liquidation.
6/ Data unavailable.
7/ June 30.
8/ June 30, 1942.
9/ Less than $500.

TABLE 12.- Farm real estate acquired and held by Federal land banks and Federal Farm Mortgage Corporation, United States, 1930-49 1/

Year	Acquired during year 2/				Held as of December 31			
	Federal land banks		Federal Farm Mortgage Corporation		Federal land banks		Federal Farm Mortgage Corporation	
	Number	Investment	Number	Investment 3/	Number	Investment	Number	Investment 3/
	Number	1,000 dollars	Number	1,000 dollars	Number	1,000 dollars	Number	1,000 dollars
1930	4,318	17,177			8,516	36,865		
1931	7,036	27,320			12,609	53,588		
1932	10,102	43,045			18,449	83,158		
1933	6,488	26,941			21,895	96,632		
1934	4,766	16,067	2	5	22,918	96,655	2	11
1935	11,499	43,219	252	486	27,465	119,409	236	455
1936	12,510	49,730	2,624	5,809	28,954	128,893	2,379	5,861
1937	8,586	32,676	4,396	10,469	25,776	117,932	5,107	14,106
1938	7,186	29,233	6,576	17,267	23,974	115,345	8,245	23,884
1939	10,236	44,654	7,679	22,177	25,774	125,800	9,625	29,437
1940	5,242	23,028	3,790	12,626	21,337	109,066	7,503	25,113
1941	4,129	17,592	3,201	10,191	14,578	73,600	5,204	18,217
1942	3,067	12,968	3,245	10,994	8,322	40,435	4,056	14,322
1943	1,294	6,036	1,946	7,249	3,625	16,779	2,423	9,067
1944	513	2,331	758	2,958	1,423	6,680	1,120	4,314
1945	243	1,040	311	1,143	397	1,916	365	1,451
1946	73	280	149	587	105	487	144	542
1947	34	127	33	91	47	171	45	162
1948	0	0	0	0	24	76	13	30
1949	14	68	19	27	20	85	21	45

1/ Also includes sheriffs' certificates and judgments. Excludes Puerto Rico except for acquisition by Federal land banks during years 1931-34.
2/ Excludes reacquirements.
3/ Excludes prior liens.

Farm Credit Administration.

TABLE 13.- Non-real-estate loans to farmers: Amounts held by principal lending institutions, United States, specified dates, 1915-50 1/

Date	Commercial banks		Agencies supervised by Farm Credit Administration				Farmers Home Administration			Total excluding Commodity Credit Corporation loans and guarantees	Commodity Credit Corporation		Total including Commodity Credit Corporation loans and guarantees 2/
			Production credit associations 3/		Federal intermediate credit banks 4/								
	Excluding Commodity Credit Corporation guarantees	Including Commodity Credit Corporation guarantees 2/	Excluding Commodity Credit Corporation guarantees	Including Commodity Credit Corporation guarantees 2/	Excluding Commodity Credit Corporation guarantees	Including Commodity Credit Corporation guarantees 2/	Production and subsistence loans 5/	Disaster loans 6/	Emergency crop and feed loans 7/		Loans held	Loan guarantees 2/ 8/	
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
1915:													
Jan. 1	1,605,958									1,605,958			
1930:													
Jan. 1	3,453,794									9/ 3,455,253			
1931:													
Jan. 1	3,869,891								10/ 3,104	9/ 3,873,788			
1932:													
Jan. 1	2,674,237				18,760				10/ 2,513	9/ 2,713,162			
1933:													
Jan. 1	2,490,742				47,283				10/ 8,946	2,546,971			
1935:													
Jan. 1	627,878	640,887	60,499	60,499	55,083	55,083	11/ 5,600	67,067	111,238	947,345	37,162	213,009	1,197,516
July 1	670,877	805,292	106,402	106,402	57,705	57,705	11/ 47,249	72,759	196,240	1,153,232	151,735	134,415	1,439,382
1936:													
Jan. 1	735,857	743,731	93,400	93,400	46,518	46,518	11/ 62,900	43,394	178,470	1,153,939	271,219	8,474	1,433,632
July 1	690,335	698,238	139,062	139,062	53,959	53,959	11/ 128,691	36,080	176,415	1,228,482	236,268	1,903	1,466,653
1937:													
Jan. 1	680,866	680,980	104,481	104,481	40,508	40,508	11/ 131,600	25,282	164,762	1,087,699	204,511	54	1,292,264
July 1	757,843	757,926	159,363	159,363	47,306	47,306	11/ 171,394	22,908	189,186	1,346,040	116,827	43	1,462,910
1938:													
Jan. 1	682,505	821,935	136,918	136,918	39,974	39,974	118,017	15,588	171,183	1,165,085	173,134	139,390	1,477,589
July 1	827,715	971,805	183,296	183,296	42,703	42,703	168,696	14,788	184,656	1,417,814	228,913	144,050	1,790,817
1939:													
Jan. 1	788,716	1,105,489	146,825	146,825	38,612	38,612	169,148	11,080	170,952	1,319,333	308,950	380,773	1,949,056
July 1	841,343	1,834,865	186,945	186,945	39,794	39,794	242,714	10,234	179,812	1,500,842	330,097	392,922	2,223,861
1940:													
Jan. 1	900,079	1,134,573	153,485	153,485	32,316	32,316	242,452	8,005	167,795	1,504,078	806,193	837,065	1,949,330
July 1	1,000,389	1,288,153	199,219	199,219	40,033	40,033	290,690	7,768	180,798	1,718,837	190,183	227,856	2,096,876
1941:													
Jan. 1	983,774	1,326,120	170,686	178,866	32,371	33,116	286,930	5,854	167,862	1,647,477	858,287	377,179	2,876,939
July 1	1,093,786	1,804,146	819,903	821,788	42,041	42,106	338,421	6,658	178,816	1,879,627	214,854	115,036	2,209,517
1942:													
Jan. 1	1,073,198	1,497,805	185,611	201,589	37,382	37,379	317,475	5,531	163,798	1,782,589	133,018	477,136	2,393,143
July 1	1,054,897	1,803,578	246,846	250,460	45,263	45,615	403,597	4,249	176,062	1,989,914	159,585	145,545	2,295,044
1943:													
Jan. 1	926,236	1,490,908	182,658	205,873	37,854	38,182	367,985	3,991	155,456	1,672,140	104,366	668,315	2,444,821
July 1	968,701	1,330,881	254,861	268,336	39,708	40,518	383,928	53,754	164,944	1,879,680	57,964	411,994	2,349,642
1944:													
Jan. 1	935,704	1,328,480	196,637	210,232	33,682	34,137	342,798	32,751	146,181	1,688,013	93,104	496,079	2,277,196
July 1	1,002,167	1,288,774	266,396	274,147	34,816	35,316	343,611	22,362	156,187	1,885,539	76,537	356,688	2,256,764
1945:													
Jan. 1	948,829	1,377,405	188,306	203,794	29,798	29,966	303,050	13,618	138,066	1,621,663	146,670	536,022	2,304,355
July 1	1,068,479	1,868,387	262,781	266,693	29,506	29,658	311,153	10,876	145,908	1,828,763	46,016	257,503	2,132,282
1946:													
Jan. 1	1,033,800	1,177,048	194,788	201,135	26,487	26,487	279,175	7,388	128,901	1,670,539	98,904	178,089	1,947,532
July 1	1,300,807	1,308,712	300,585	300,649	33,515	33,515	315,395	5,335	135,859	2,090,696	32,995	6,766	2,130,458
1947:													
Jan. 1	1,289,105	1,333,048	230,085	238,321	31,701	31,701	282,381	3,695	116,733	1,953,640	7,846	57,698	2,018,538
July 1	1,567,213	1,589,353	357,283	357,654	38,330	38,330	310,804	3,055	110,814	2,367,499	10,701	11,091	2,389,291
1948:													
Jan. 1	1,592,762	1,660,930	289,077	292,560	37,916	37,916	264,879	2,634	105,913	2,893,181	2,493	71,997	2,367,671
July 1	2,012,248	2,034,173	499,343	499,478	56,493	56,493	267,046	2,300	98,487	2,895,917	2,494	9,488	2,907,899
1949:													
Jan. 1	1,945,598	2,861,174	366,822	367,699	55,750	55,790	252,512	3,073	90,048	2,713,803	235,215	916,453	3,865,471
July 1	2,268,582	2,817,954	522,810	522,854	61,019	61,019	274,871	4,690	81,505	3,212,823	332,950	550,584	4,096,357
1950:													
Jan. 1	2,048,819	3,052,139	367,494	367,547	50,885	50,885	267,160	12,771	71,186	2,838,215	715,083	1,003,613	4,556,911
July 1	2,411,260	2,857,662	526,573	526,585	57,739	57,739	278,484	37,189	61,098	3,374,540	280,079	545,396	4,199,015

1/ Includes Territories and possessions.
2/ Guarantees are loans secured by agricultural commodities covered by purchase agreements of the Commodity Credit Corporation, which began operations in 1933. Data for such loans held by commercial banks are partly derived from reports of the Commodity Credit Corporation and partly from reports of bank supervisory agencies.
3/ Includes loans of associations in liquidation.
4/ Loans to and discounts for private financing institutions.
5/ Also includes rural rehabilitation, water facility, construction, and wartime adjustment loans and loans made from State Corporation trust funds.
6/ Also includes flood damage, fur, and flood and windstorm restoration loans and loans made by the Regional Agricultural Credit Corporation prior to its dissolution and the transfer of its assets from Farm Credit Administration to Farmers Home Administration on April 16, 1949.
7/ Also includes drought-relief and orchard-rehabilitation loans.
8/ Includes some loans to farmers by cooperative marketing associations not shown separately. Otherwise represents total of guarantees included in preceding columns.
9/ Includes loans of War Finance Corporation not shown separately.
10/ July 1.
11/ Amounts obligated. Data for actual advances not available.

TABLE 14.- Loans to farmers' cooperative organizations: Amounts held by selected lending agencies, United States, 1930-50 1/

Beginning of year or month	Agencies supervised by Farm Credit Administration			Rural Electrification Administration	Farmers Home Administration 2/	Commodity Credit Corporation
	Federal intermediate credit banks	Banks for cooperatives	Agricultural Marketing Act revolving fund			
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
1930	26,073		14,510			
1931	24,377		136,698			
1932	45,177		156,280			
1933	9,866		158,885			
1934	15,211	18,697	157,752			0
1935	33,969	27,851	54,863		3/	0
1936	2,731	50,013	44,433	10	3/	0
1937	1,641	89,647	53,754	2,456	3/	7,532
1938	1,813	87,633	30,982	30,015	1,668	9,676
1939	920	87,496	23,723	79,350	4,023	49,499
1940	1,835	76,252	20,947	169,122	6,721	26,845
1941	1,490	74,741	16,461	232,086	9,978	27,931
1942	2,152	4/ 150,038	16,914	304,407	20,114	14,369
1943	2,000	5/ 222,744	12,551	328,235	28,490	10,325
1944	2,000	5/ 254,838	7,351	331,318	28,912	3,655
1945	700	4/ 214,278	3,067	345,688	25,150	1,552
1946	2,042	5/ 157,680	2,693	391,137	17,233	737
1947	4,151	5/ 212,564	2,232	509,604	12,218	645
1948	4,000	5/ 274,943	2,603	709,428	10,229	177,317
1949:						
January	4,709	304,684	1,315	963,814	8,847	354,542
April	3,768	264,837	1,315	3/	8,628	3/
July	646	248,008	915	1,112,741	8,458	406,799
October	1,826	278,173	1,265	3/	8,632	3/
1950:						
January	2,400	301,887	1,365	1,252,648	8,574	224,535
April	2,598	261,387	1,199	3/	8,394	3/
July	592	244,606	1,153	1,358,553	8,365	129,355

1/ Includes Territories and possessions.
2/ Also includes loans to defense relocation corporations and water-facility associations and similar loans from State Corporation trust funds.
3/ Data unavailable.
4/ Also includes loans and advances under Commodity Credit Corporation programs, except advances on wool in which farmers had no beneficial interest.

TABLE 15.- Interest rates charged on new loans and discounts by institutions under supervision of Farm Credit Administration, December 31, selected years 1934-49

Item	1934	1936	1938	1940	1942	1944	1946	1947	1948	1949
	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent
Federal land banks:										
National farm loan associations:										
Contract rate	5	4	4	4	4	4	4	4	1/ 4	1/ 4
Reduced rate 2/	4 1/2	3 1/2	3 1/2	3 1/2	3 1/2	-	-	-	-	-
Direct: 3/										
Contract rate	5 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	1/ 4 1/2	1/ 4 1/2
Reduced rate 2/	5	4	4	4	4	-	-	-	-	-
Land Bank Commissioner: 4/										
Contract rate	5	5	5	5	5	5	5	5/	5/	5/
Reduced rate 2/	-	-	4	3 1/2	3 1/2	4	-	-	-	-
Production credit associations 6/	5	5	5	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2 - 5	4 1/2-6	4 1/2 - 6
Federal intermediate credit banks 6/	2	2	2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2 - 1 3/4	2	2 - 2 1/4
Banks for cooperatives: 6/										
Loans secured by Commodity Credit Corporation documents	-	-	-	-	-	1	1	1 1/2 - 1 3/4	2 1/4	2 1/4
Commodity loans	-	2	2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2 - 1 3/4	2 1/4	2 1/4
Operating capital loans	3	3	3	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2 - 2 3/4	3	3
Facility loans	4 1/2	4	4	4	3 1/2	4	3 1/2	4	4	4
Emergency crop and feed loans	5 1/2	5 1/2	4	4	4	4	1/	1/	1/	1/
Drought-relief loans	5 1/2	-	-	-	-	-	1/	1/	1/	1/
Regional agricultural credit corporations:										
Regular loans	6 1/2	6 1/2	6 1/2	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2	8/
Special loans 7/	-	-	-	-	5 1/2	5 - 5 1/2	5 - 5 1/2	5 - 5 1/2	5 1/2	8/
Agricultural Marketing Act revolving fund:										
Operating capital loans	3	3	3	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2 - 2 3/4	2 1/2-3	3
Facility loans	4 1/2	4	4	4	3 1/2	4	3 1/2	4	4	4

1/ The Federal land banks of Columbia and Springfield increased interest rates to 4½ percent (5 percent on direct loans) effective Aug. 1, 1948 and Jan. 1, 1949, respectively.
2/ Reduced rates to borrowers on Federal land bank loans were in effect between July 11, 1933, and July 1, 1944, and on Land Bank Commissioner loans between July 22, 1937, and July 1, 1945.
3/ Also apply to loans made in Puerto Rico.
4/ Land Bank Commissioner loans were made on behalf of the Federal Farm Mortgage Corporation.
5/ Authority to make new loans expired July 1, 1947.
6/ Interest rate in Puerto Rico is one-half of 1 percent higher.
7/ Beginning Nov. 1, 1946, loans for these purposes have been under the jurisdiction of the Farmers Home Administration.
8/ In accordance with Public Law 38, 81st Cong., the Regional Agricultural Credit Corporation of Washington, D. C. was dissolved and, as of April 16, 1949, its assets were transferred to the Farmers Home Administration.
9/ Includes Wenatchee fruit loans beginning 1941, food production loans and restricted area loans beginning 1943.

NOTE: The interest rate on mortgage loans made by joint-stock land banks, which were placed in liquidation May 12, 1933, varied from 4 to 6 percent per annum, the latter rate being the maximum allowed by law.

Farm Credit Administration.

TABLE 16.- Non-real-estate loans to farmers: Amounts held by all banks and by insured commercial banks, by States, July 1, 1949 and 1950 1/

State and division	All banks				Insured commercial banks			
	Including Commodity Credit Corporation guarantees 2/		Excluding Commodity Credit Corporation guarantees		Including Commodity Credit Corporation guarantees 2/		Excluding Commodity Credit Corporation guarantees	
	July 1, 1949	July 1, 1950	July 1, 1949	July 1, 1950	July 1, 1949	July 1, 1950	July 1, 1949	July 1, 1950
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
Maine	5,589	5,985	5,589	5,985	5,024	5,428	5,024	5,428
New Hampshire	2,582	2,433	2,582	2,433	2,290	2,158	2,290	2,158
Vermont	10,761	11,203	10,761	11,203	9,957	10,214	9,957	10,214
Massachusetts	4,325	4,927	4,325	4,927	4,313	4,927	4,313	4,927
Rhode Island	800	936	800	936	726	899	726	899
Connecticut	3,189	4,482	3,185	4,482	2,499	4,326	2,455	4,326
New England	27,246	29,966	27,242	29,966	24,769	27,912	24,765	27,912
New York	56,896	61,856	56,849	61,763	56,896	61,830	56,849	61,737
New Jersey	9,100	9,883	9,088	9,883	9,100	9,883	9,088	9,883
Pennsylvania	38,524	42,244	38,055	41,884	38,357	42,191	37,888	41,831
Middle Atlantic	104,520	113,983	103,992	113,530	104,353	113,904	103,825	113,451
Ohio	59,614	63,714	53,948	58,448	58,937	63,125	53,271	57,899
Indiana	70,483	74,585	58,246	65,538	69,885	73,915	57,675	64,868
Illinois	172,102	200,852	106,064	123,896	170,164	199,100	104,978	122,682
Michigan	51,565	56,597	51,233	55,249	49,260	53,969	48,928	52,813
Wisconsin	56,949	64,503	56,820	64,106	56,305	61,840	56,176	61,443
East North Central	410,713	460,251	326,311	367,237	404,551	453,949	321,028	361,665
Minnesota	131,010	161,144	94,762	105,894	129,835	160,009	93,828	104,925
Iowa	271,907	284,722	148,586	184,933	253,741	266,476	139,070	173,745
Missouri	129,041	134,781	110,654	124,112	125,465	131,743	107,675	121,354
North Dakota	32,074	33,810	30,257	31,382	31,049	33,002	29,232	30,575
South Dakota	71,109	65,393	48,888	49,905	71,109	65,393	48,888	49,905
Nebraska	147,231	167,646	93,997	114,775	140,203	160,455	89,304	109,948
Kansas	151,346	148,294	141,849	140,558	121,145	121,134	114,150	114,891
West North Central	933,718	995,790	668,993	751,519	872,547	938,232	622,147	705,303
Delaware	2,819	2,897	2,715	2,879	2,819	2,897	2,715	2,879
Maryland	10,640	10,508	10,426	10,502	10,640	10,508	10,426	10,502
District of Columbia	18	7	18	7	18	7	18	7
Virginia	31,050	32,773	30,910	32,338	31,050	32,773	30,910	32,338
West Virginia	6,550	6,461	6,550	6,461	6,485	6,406	6,485	6,406
North Carolina	37,391	38,457	32,226	37,431	37,391	38,445	32,226	37,419
South Carolina	28,884	19,056	16,136	16,475	28,721	18,844	15,973	16,263
Georgia	52,147	49,825	40,835	39,062	49,809	48,267	39,220	37,741
Florida	8,680	10,801	8,680	10,801	8,547	10,675	8,547	10,675
South Atlantic	178,179	170,785	148,496	155,956	175,480	168,822	146,520	154,230
Kentucky	42,822	47,471	41,355	46,984	42,207	46,612	40,740	46,125
Tennessee	74,352	46,730	43,231	42,026	73,950	46,261	42,829	41,557
Alabama	70,568	55,677	45,693	47,764	70,541	55,677	45,627	47,764
Mississippi	43,904	33,846	30,649	30,753	43,660	33,603	30,500	30,510
East South Central	231,646	183,724	160,888	167,527	230,358	182,153	159,696	165,956
Arkansas	73,762	46,892	43,371	39,921	73,553	46,673	43,162	39,702
Louisiana	31,348	24,156	17,283	19,907	31,279	24,065	17,214	19,816
Oklahoma	93,350	85,716	80,768	76,794	92,457	84,821	79,953	75,954
Texas	262,314	313,845	237,503	225,812	254,814	307,537	230,302	219,818
West South Central	460,774	470,609	378,925	362,434	452,103	463,096	370,631	355,290
Montana	36,063	34,390	34,701	34,121	36,063	34,390	34,701	34,121
Idaho	28,901	32,037	28,897	31,788	28,506	31,598	28,502	31,349
Wyoming	21,519	22,540	21,514	22,471	21,519	22,540	21,514	22,471
Colorado	64,047	73,791	63,964	72,611	63,465	73,159	63,382	71,979
New Mexico	24,694	23,251	22,713	22,513	24,694	23,251	22,713	22,513
Arizona	18,931	25,159	18,931	25,032	18,931	25,159	18,931	25,032
Utah	21,927	24,000	21,901	23,749	21,927	24,000	21,901	23,749
Nevada	4,583	3,943	4,583	3,943	4,583	3,943	4,583	3,943
Mountain	220,625	239,111	217,204	236,228	219,648	238,040	216,227	235,157
Washington	31,934	32,743	31,938	32,739	31,701	32,490	31,685	32,486
Oregon	29,877	30,260	29,860	30,094	29,839	30,235	29,822	30,069
California	188,342	170,424	174,679	166,032	188,342	170,424	174,679	166,032
Pacific	250,173	233,427	236,477	228,865	249,882	233,149	236,186	228,587
United States	2,817,594	2,897,646	2,268,528	2,413,262	2,733,691	2,819,257	2,201,025	2,347,551
Possessions 3/	23,176	22,127	23,176	22,127	12	9,344	12	9,342

1/ Loans are classified according to location of bank and, therefore, are not strictly comparable by States with data for other lenders which are classified according to location of security or borrower.

2/ Commodity Credit Corporation guarantees are loans secured by agricultural commodities covered by purchase agreements of the CCC, as reported by banks.

3/ Alaska, Hawaii, Puerto Rico, and Virgin Islands.

Federal Deposit Insurance Corporation.

TABLE 17.- Non-real-estate loans: Amounts held by production credit associations, and by private financing institutions discounting with Federal intermediate credit banks, by States, January 1 and July 1, 1949-50 1/

State and division	Production credit associations 2/				Private financing institutions 3/			
	1949		1950		1949		1950	
	January 1	July 1	January 1	July 1	January 1	July 1	January 1	July 1
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
Maine	2,336	2,248	3,079	2,010	66	121	131	155
New Hampshire	497	532	503	548	0	0	0	0
Vermont	3,604	3,832	3,846	3,782	246	225	88	17
Massachusetts	1,598	2,026	1,745	1,972	527	399	367	243
Rhode Island	331	370	341	418	0	0	0	2
Connecticut	2,395	2,261	2,413	2,309	134	115	0	0
New England	10,761	11,269	11,927	11,039	973	860	586	417
New York	17,556	20,492	18,238	20,708	128	49	37	15
New Jersey	2,839	4,037	3,145	3,858	89	210	130	173
Pennsylvania	8,859	10,022	9,476	10,394	0	0	0	0
Middle Atlantic	29,254	34,551	30,859	34,960	217	259	167	188
Ohio	16,680	19,361	18,552	21,404	1,642	1,504	2,105	2,097
Indiana	18,331	19,360	17,442	19,576	690	578	752	561
Illinois	20,953	20,223	20,203	22,430	1,913	1,584	1,609	1,767
Michigan	5,337	6,423	5,914	7,011	53	35	5	3
Wisconsin	10,080	12,091	11,358	12,170	2,285	2,457	2,409	2,676
East North Central	71,381	77,458	73,469	82,591	6,583	6,158	6,880	7,104
Minnesota	10,252	11,416	11,234	11,999	1,578	1,627	1,546	1,584
Iowa	12,357	11,320	13,238	13,434	807	570	819	578
Missouri	12,467	15,639	13,360	17,583	877	950	803	1,042
North Dakota	2,652	4,471	3,486	4,579	358	598	542	695
South Dakota	5,115	5,805	5,674	6,293	696	744	843	876
Nebraska	7,917	8,304	9,161	9,583	620	272	601	364
Kansas	9,799	10,572	9,086	9,957	1,071	620	1,248	771
West North Central	60,559	67,527	65,199	73,428	6,007	5,381	6,402	5,910
Delaware	937	1,262	1,021	1,255	0	0	0	0
Maryland	4,783	5,947	6,091	6,624	0	0	0	0
District of Columbia	0	0	0	0	0	0	0	0
Virginia	4,817	7,072	5,297	7,754	42	38	33	31
West Virginia	1,369	1,691	1,548	1,827	0	0	0	0
North Carolina	6,236	21,364	6,394	21,890	32	510	0	603
South Carolina	3,369	12,642	4,922	12,520	0	54	0	95
Georgia	8,190	21,419	9,890	21,078	0	0	0	0
Florida	8,487	6,105	8,682	6,527	554	48	447	123
South Atlantic	38,188	77,502	43,845	79,475	628	650	480	852
Kentucky	8,705	9,936	9,442	11,152	18	18	49	27
Tennessee	6,385	9,040	7,480	9,272	630	1,472	626	1,138
Alabama	3,606	9,673	4,331	8,839	361	539	559	664
Mississippi	6,529	22,399	8,943	23,126	6,791	6,242	3,937	5,917
East South Central	25,225	51,048	30,196	52,389	7,800	8,271	5,171	7,746
Arkansas	4,851	18,341	6,116	15,777	785	697	588	648
Louisiana	5,734	13,759	5,157	14,166	599	1,537	377	1,493
Oklahoma	8,394	12,458	8,570	10,735	3,246	3,221	2,556	3,233
Texas	37,631	55,972	38,395	52,078	13,100	15,350	12,888	13,158
West South Central	56,610	100,530	58,238	92,756	17,730	20,805	16,409	18,532
Montana	9,468	15,352	8,550	15,522	331	146	90	389
Idaho	8,565	12,034	9,270	12,906	60	11	96	39
Wyoming	3,574	5,116	3,737	4,776	497	1,215	1,341	1,642
Colorado	11,318	13,417	11,130	13,115	2,642	2,094	2,891	1,961
New Mexico	3,774	6,100	4,060	5,375	800	1,637	1,181	1,800
Arizona	3,138	2,977	1,927	2,260	2,015	4,188	1,821	3,012
Utah	3,496	4,224	3,516	4,013	3,174	3,171	2,673	2,591
Nevada	917	1,343	745	1,247	632	624	364	747
Mountain	44,250	60,563	42,935	59,214	10,151	13,086	10,457	12,181
Washington	3,129	5,257	3,829	5,095	469	374	805	503
Oregon	10,004	13,066	10,228	12,565	0	0	0	67
California	17,461	24,039	16,729	23,061	5,192	5,175	3,468	4,239
Pacific	30,594	42,362	30,786	40,721	5,661	5,549	4,273	4,809
United States	366,822	522,810	387,454	526,573	55,750	61,019	50,825	57,739
Puerto Rico	5,003	5,216	4,826	4,560	5,715	1,963	7,116	498

1/ Excludes loans secured by agricultural commodities covered by purchase agreements of the Commodity Credit Corporation.
2/ Includes all loans of PCA's, whether or not discounted with Federal intermediate credit banks, but excludes loans of associations in liquidation.
3/ Largely livestock loan companies and agricultural credit corporations. Includes only loans from and discounts with Federal intermediate credit banks.

Farm Credit Administration.

TABLE 18.- Farmers Home Administration: Operating loans outstanding, by types and by States, as of specified dates, 1949-50

State and division	Production and subsistence 1/			Disaster 2/			Emergency crop and feed 3/		
	1949	1950		1949	1950		1949	1950	
	January 1	January 1	July 1	January 1	January 1	July 1	January 1	January 1	July 1
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
Maine	3,119	3,224	3,319	7	29	112	469	342	279
New Hampshire	1,008	995	964	1	5	67	29	22	18
Vermont	1,118	1,189	1,211	1	48	118	46	42	38
Massachusetts	537	551	523	1	68	152	32	28	22
Rhode Island	102	98	106	1	11	46	0	0	0
Connecticut	193	179	155	1	27	78	18	15	15
New England	6,077	6,236	6,278	12	188	573	594	449	372
New York	6,002	6,246	6,359	36	79	670	152	135	123
New Jersey	2,063	2,219	2,413	1	181	386	62	61	61
Pennsylvania	4,781	5,222	4,891	32	26	26	314	214	164
Middle Atlantic	12,846	13,687	13,663	69	286	1,082	528	410	348
Ohio	4,230	4,403	4,473	11	7	7	225	192	169
Indiana	2,962	3,274	3,269	15	27	28	177	148	134
Illinois	5,145	5,440	4,965	46	29	287	266	175	147
Michigan	6,878	7,375	7,104	86	147	223	407	350	288
Wisconsin	5,784	7,067	6,955	20	1,120	1,305	702	630	581
East North Central	24,999	27,559	26,766	178	1,330	1,850	1,777	1,495	1,319
Minnesota	7,550	9,360	9,264	84	145	341	3,525	2,896	2,447
Iowa	4,914	4,439	4,263	15	11	9	137	22	15
Missouri	8,209	8,604	8,674	142	139	646	1,294	964	818
North Dakota	4,562	5,589	6,364	56	56	787	25,692	19,636	16,792
South Dakota	7,818	8,385	8,684	32	22	545	11,897	9,323	7,874
Nebraska	5,714	5,537	5,732	29	32	22	2,545	1,911	1,602
Kansas	6,199	6,900	6,762	229	591	590	3,078	2,336	1,914
West North Central	44,966	48,814	49,743	587	996	2,940	48,088	37,088	31,462
Delaware	322	306	324	1	1	2	37	38	37
Maryland	1,990	2,198	2,213	29	26	27	287	278	255
Dist. of Columbia	0	0	0	0	0	0	0	0	0
Virginia	2,391	2,728	3,258	37	37	306	1,321	926	824
West Virginia	1,499	1,696	1,847	2	8	8	166	115	98
North Carolina	5,024	5,735	7,478	7	12	511	905	540	390
South Carolina	6,809	7,738	9,471	6	258	1,535	1,732	1,383	1,110
Georgia	11,944	11,961	13,522	47	114	2,731	1,916	1,444	1,218
Florida	5,136	4,962	4,979	86	746	741	1,092	941	727
South Atlantic	35,115	37,344	43,092	215	1,202	5,861	7,456	5,665	4,669
Kentucky	3,589	3,629	3,633	3	2	3	356	206	150
Tennessee	2,729	3,144	3,360	13	10	264	820	511	439
Alabama	11,848	11,170	11,931	3	37	1,160	1,387	825	613
Mississippi	11,617	12,832	12,829	10	135	5,735	1,446	983	759
East South Central	29,783	30,775	31,749	29	184	7,162	3,809	2,525	1,961
Arkansas	10,889	11,673	12,503	190	445	6,075	2,982	2,501	2,148
Louisiana	7,028	6,793	7,350	11	9	693	1,606	1,430	1,210
Oklahoma	13,318	13,466	13,830	369	365	535	1,499	1,074	872
Texas	23,607	23,364	24,062	188	2,192	3,299	6,089	4,574	4,093
West South Central	54,838	55,296	57,745	758	3,011	10,602	12,136	9,579	8,323
Montana	5,765	6,377	6,980	50	186	721	5,483	4,619	4,243
Idaho	4,358	4,879	5,089	393	586	734	690	528	404
Wyoming	4,353	4,560	5,103	27	683	672	696	611	559
Colorado	6,706	7,053	7,443	36	696	792	1,882	1,469	1,261
New Mexico	3,869	3,945	4,341	58	41	40	1,645	1,303	1,063
Arizona	991	1,149	1,241	3	6	68	162	153	141
Utah	2,938	3,186	3,206	4	316	536	362	274	213
Nevada	701	736	494	0	266	284	46	22	20
Mountain	29,681	31,885	33,837	571	2,800	3,847	10,966	8,979	7,904
Washington	4,703	5,338	5,727	520	795	1,004	1,923	2,205	2,266
Oregon	2,899	3,318	3,368	90	233	382	1,029	1,098	994
California	6,845	7,308	6,716	44	1,746	1,601	1,742	1,693	1,460
Pacific	14,407	15,964	15,811	654	2,774	2,987	4,694	4,996	4,720
United States	252,512	267,160	278,684	3,073	12,771	37,184	90,048	71,186	61,098
Possessions 4/	3,350	3,375	3,415	0	0	0	192	155	104

1/ Also includes water facility loans, rural rehabilitation loans, construction loans, and wartime adjustment loans; also includes any such loans from State corporation trust funds.
2/ Also includes flood damage loans, fur loans, flood and windstorm restoration loans, and loans formerly made by the Regional Agricultural Credit Corporation.
3/ Includes seed, feed, crop-production, drought-relief and orchard-rehabilitation loans.
4/ Includes Alaska, Hawaii, Puerto Rico and Virgin Islands.

Farmers Home Administration.

TABLE 19.- Commodity Credit Corporation: Loans made from organization to July 1, 1950 and loans outstanding on July 1, 1950, by commodity programs

Commodity program	Loans made 1/			Loans outstanding July 1, 1950			
	Amount	Commodities pledged		Held by Commodity Credit Corporation	Held by lending agencies	Total	Commodities pledged
		Quantity	Unit				
	1,000 dollars	1,000 units		1,000 dollars	1,000 dollars	1,000 dollars	1,000 units
Barley:							
1940-48	2/ 53,709	2/ 76,679.0	Bushel	2,372	21	2,393	2,230.0
1949	35,721	28,727.0	do.	6,303	454	6,757	6,345.0
Total	89,430	105,406.0	do.	8,675	475	9,150	8,575.0
Beans, dry:							
1943-48	2/ 35,654	4,504.0	Hundredweight	2	0	2	3/
1949	31,574	7,285.0	do.	6,111	521	6,632	324.0
Total	67,228	11,789.0	do.	6,113	521	6,634	324.0
Butter:							
1938-40	32,156	127,166.0	Pound	0	0	0	0
Corn:							
1933-48	2/ 1,245,668	2/ 1,617,703.0	Bushel	136,313	19,721	156,034	113,887.0
1949	437,668	324,534.0	do.	85,056	111,031	4/ 408,081	4/ 293,731.0
Total	1,683,372	1,942,237.0	do.	221,369	130,752	4/ 564,125	4/ 413,618.0
Cotton:							
1933-48	2/ 2,946,245	36,939.0	Bale	0	0	0	0
1949	458,799	1,190.0	do.	29,078	92,827	121,905	836.0
Total	3,405,044	40,129.0	do.	29,078	92,827	121,905	836.0
Flax fiber:							
1946	1,237	2,579.0	Pound	0	0	0	0
Flaxseed:							
1941-48	2/ 17,221	2/ 5,027.0	Bushel	28	26	54	13.0
1949	35,460	9,465.0	do.	8,116	455	8,571	2,286.0
Total	52,681	14,492.0	do.	8,144	481	8,625	2,299.0
Grain sorghums:							
1940-48	2/ 56,645	2/ 24,696.0	Bushel	6	0	6	3.0
1949	100,098	43,868.0	do.	7,252	304	7,556	1,675.0
Total	156,743	68,564.0	do.	7,258	304	7,562	1,678.0
Naval stores:							
Rosin: 1934-48	51,487	1,592,512.0	Pound	0	0	0	0
1949	12,432	181,932.0	do.	0	0	0	0
Total	63,919	5/ 1,774,444.0	do.	0	0	0	0
Turpentine:							
1934-48	15,384	40,682.0	Gallon	0	0	0	0
1949	1,364	3,283.0	do.	0	0	0	0
Total	16,748	5/ 43,965.0	do.	0	0	0	0
Oats:							
1945-48	2/ 11,693	19,073.0	Bushel	767	16	783	1,200.0
1949	20,694	30,966.0	do.	2,478	854	3,332	5,061.0
Total	32,387	50,039.0	do.	3,245	890	4,135	6,261.0
Peanuts:							
1937-48	184,120	1,164.2	Ton	0	0	0	0
1949	33,440	172.4	do.	2,307	1,157	3,464	17.3
Total	217,560	1,336.6	do.	2,307	1,157	3,464	17.3
Peas, dry:							
1943-48	2/ 395	96.0	Hundredweight	2	0	2	1.0
1949	2,310	799.0	do.	106	0	106	36.0
Total	2,705	895.0	do.	108	0	108	37.0
Potatoes, white:							
1943-48	2/ 156,970	2/ 143,946.0	do.	0	0	0	0
1949	8,603	12,538.0	do.	531	31	562	840.0
Total	165,573	156,184.0	do.	531	31	562	840.0
Rice:							
1948	658	153.0	do.	0	0	0	0
1949	8,034	1,873.0	do.	1,233	177	1,410	335.0
Total	8,692	2,026.0	do.	1,233	177	1,410	335.0
Rye:							
1939-48	2/ 7,638	2/ 14,412.0	Bushel	7	3	10	8.0
1949	1,015	840.0	do.	955	34	989	479.0
Total	8,653	15,252.0	do.	962	37	999	487.0
Seeds, miscellaneous:							
1943-48	4,122	69,071.0	Pound	0	0	0	0
1949	481	4,013.0	do.	12	0	12	101.0
Total	4,603	73,084.0	do.	12	0	12	101.0
Soybeans:							
1941-48	2/ 42,378	2/ 21,082.0	Bushel	14	1	15	6.0
1949	24,194	11,204.0	do.	323	880	1,203	528.0
Total	66,572	32,286.0	do.	337	881	1,218	534.0
Sweetpotatoes:							
1943-46	150	77.0	Hundredweight	0	0	0	0
Tobacco:							
1931-48	2/ 359,486	2/ 1,017,589.0	Pound	87,339	0	87,339	213,942.0
1949	62,542	152,706.0	do.	38,183	0	38,183	97,192.0
Total	422,028	1,170,295.0	do.	125,522	0	125,522	311,134.0
Wheat:							
1938-48	2/ 2,298,693	2/ 1,983,858.0	Bushel	9,316	127	10,043	5,043.0
1949	671,224	336,617.0	do.	47,310	7,762	55,072	28,498.0
Total	2,969,917	2,320,475.0	do.	57,226	7,889	65,115	33,541.0
Other:	57,682	xxx	xxx	7,684	4,872	12,555	xxx
GRAND TOTAL	9,545,080	xxx	xxx	7/ 479,404	8/ 443,313	9/ 926,721	xxx

1/ Includes loans made directly by Commodity Credit Corporation and guaranteed loans made by lending agencies. Renewals and extensions of loans previously made are excluded.
2/ Revised.
3/ Less than 500.
4/ Includes $4,004,000 in loans, involving 3,030,000 bushels, made but not fully processed.
5/ Quantity previously reported in drums.
6/ Quantity previously reported in barrels.
7/ Also includes some loans to dealers and processors not reported in tables 13 and 14.
8/ Differs from total shown in table 13 because of differences in basis of reporting.

Commodity Credit Corporation.

TABLE 20.-- Commodity Credit Corporation: Loans made on selected commodities, by States, year ended June 30, 1950 1/

State and division	Cotton	Corn	Wheat	Grain sorghums	Dry beans	Other 2/	Total
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
Maine	0	0	0	0	0	5,338	5,338
New Hampshire	0	0	0	0	0	64	64
Vermont	0	0	0	0	0	0	0
Massachusetts	0	0	0	0	0	37	37
Rhode Island	0	0	0	0	0	33	33
Connecticut	0	0	0	0	0	1,263	1,263
New England	0	0	0	0	0	6,735	6,735
New York	0	109	3,485	0	2,428	775	6,797
New Jersey	0	52	735	0	0	11	798
Pennsylvania	0	1,064	1,730	0	0	226	3,020
Middle Atlantic	0	1,225	5,950	0	2,428	1,012	10,615
Ohio	0	13,674	13,708	0	0	1,148	28,530
Indiana	0	24,776	4,774	0	0	1,266	30,816
Illinois	23	92,590	12,375	0	0	6,693	111,681
Michigan	0	4,735	7,649	0	15,842	687	28,913
Wisconsin	0	3,483	33	0	0	381	1,897
East North Central	23	139,258	38,539	0	15,842	10,175	203,837
Minnesota	0	60,465	7,741	0	2	24,087	92,295
Iowa	0	167,544	4,049	0	0	17,625	189,218
Missouri	7,052	12,849	7,192	5	0	1,791	28,889
North Dakota	0	2,821	34,400	47	0	17,336	54,604
South Dakota	0	18,020	25,478	0	19	9,066	52,583
Nebraska	0	75,546	38,097	1,439	2,887	1,336	119,305
Kansas	0	10,633	140,812	22,893	34	670	175,042
West North Central	7,052	347,878	257,769	24,384	2,942	71,911	711,936
Delaware	0	211	971	0	0	173	1,355
Maryland	0	553	4,921	0	0	1,065	6,539
District of Columbia	0	0	0	0	0	0	0
Virginia	70	349	1,795	0	0	2,338	4,552
West Virginia	0	55	7	0	0	0	62
North Carolina	2,120	626	50	0	0	39,460	42,256
South Carolina	6,856	519	4	0	0	364	7,743
Georgia	22,976	1,086	0	0	0	26,264	50,326
Florida	32	7	0	0	0	6,491	6,530
South Atlantic	32,054	3,406	7,748	0	0	76,155	119,363
Kentucky	30	3,873	1,266	0	0	15,408	20,577
Tennessee	9,615	156	1,005	0	0	6,284	17,060
Alabama	17,801	114	0	0	0	4,943	22,858
Mississippi	53,040	18	0	0	0	170	53,228
East South Central	80,486	4,161	2,271	0	0	26,805	113,723
Arkansas	36,892	12	0	27	0	3,224	40,155
Louisiana	18,629	0	0	0	0	2,940	21,569
Oklahoma	35,888	448	85,860	3,588	12	2,017	127,813
Texas	185,244	333	89,546	60,739	0	8,216	344,078
West South Central	276,653	793	175,406	64,354	12	16,397	533,615
Montana	0	0	20,154	0	871	1,667	22,692
Idaho	0	24	27,579	0	5,233	2,043	34,879
Wyoming	0	9	5,659	0	5,085	476	11,229
Colorado	0	1,110	39,448	3,913	7,390	4,782	56,643
New Mexico	4,965	42	6,373	6,630	1,709	664	20,383
Arizona	18,634	0	152	751	218	1,039	20,794
Utah	0	0	3,123	0	39	221	3,383
Nevada	0	0	99	0	0	32	131
Mountain	23,599	1,185	102,587	11,294	20,545	10,924	170,134
Washington	0	0	50,052	0	53	1,902	52,007
Oregon	0	3	17,314	0	14	367	17,698
California	17,267	3	4,990	37	9,738	16,173	48,208
Pacific	17,267	6	72,356	37	9,805	18,442	117,913
Unallocated	0	11	128	14	0	7	160
United States	437,134	497,923	662,754	100,083	51,574	238,563	1,988,031

1/ Includes loans made directly by Commodity Credit Corporation and guaranteed loans made by lending agencies.
2/ Includes $64,440,000 of tobacco loans made largely to cooperative associations in North Carolina, Kentucky, and Tennessee.

Commodity Credit Corporation.

TABLE 21.- Rural Electrification Administration: Loans made during 1948 and 1949 and loans outstanding January 1, 1949 and 1950, by States

State and division	Loans made 1/				Loans outstanding 4/			
	1948		1949		January 1, 1949		January 1, 1950	
	To cooperatives 2/	To others 3/	To cooperatives 2/	To others 3/	To cooperatives 2/	To others 3/	To cooperatives 2/	To others 3/
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
Maine	132	0	157	0	1,093	0	1,240	0
New Hampshire	272	0	175	0	2,274	0	2,449	3
Vermont	272	0	298	0	2,272	0	2,535	0
Massachusetts	0	0	0	0	0	0	0	0
Rhode Island	0	0	0	0	0	0	0	0
Connecticut	0	0	0	0	0	0	0	0
New England	676	0	630	0	5,639	0	6,224	0
New York	125	0	121	0	2,294	0	2,379	0
New Jersey	22	0	114	0	569	0	642	0
Pennsylvania	2,582	0	1,724	0	14,959	0	16,256	0
Middle Atlantic	2,729	0	1,959	0	17,822	0	19,277	0
Ohio	3,869	172	3,230	222	27,305	172	29,451	394
Indiana	5,707	0	3,656	0	28,041	0	30,380	0
Illinois	10,520	0	9,135	0	39,565	0	47,609	0
Michigan	3,747	0	3,486	0	19,026	0	21,889	0
Wisconsin	9,984	0	12,326	0	41,990	59	53,614	56
East North Central	33,827	172	31,833	222	155,927	231	182,943	450
Minnesota	17,195	700	17,688	218	59,427	700	75,451	889
Iowa	12,212	0	18,812	0	53,448	0	70,950	0
Missouri	15,883	0	25,796	0	58,946	77	83,653	0
North Dakota	12,428	59	25,681	0	28,417	522	53,861	497
South Dakota	9,374	0	13,956	0	20,411	0	34,215	0
Nebraska	3,624	7,546	5,140	10,631	6,082	25,869	11,208	35,903
Kansas	11,585	0	13,681	0	33,309	0	46,544	0
West North Central	82,301	8,305	120,754	10,849	260,040	27,168	375,882	37,289
Delaware	517	0	294	0	1,941	0	2,184	0
Maryland	1,824	0	1,720	0	5,916	0	7,476	0
Virginia	6,461	0	4,774	0	26,646	0	30,998	0
West Virginia	68	0	141	0	917	0	1,032	0
North Carolina	8,992	0	8,760	0	32,422	167	40,550	149
South Carolina	4,976	387	4,680	162	19,163	621	23,380	767
Georgia	12,019	0	11,661	0	38,024	38	48,438	33
Florida	3,753	0	3,869	0	14,977	61	18,504	52
South Atlantic	38,610	387	35,919	162	140,006	887	172,562	1,001
Kentucky	11,755	0	11,760	0	35,043	0	45,594	0
Tennessee	10,841	1,225	12,494	1,186	29,837	2,160	41,404	3,279
Alabama	9,071	273	9,575	328	26,404	641	35,174	958
Mississippi	9,718	0	10,874	0	31,892	0	41,976	0
East South Central	41,385	1,498	44,703	1,514	123,176	2,801	164,148	4,237
Arkansas	7,414	0	9,716	0	27,652	0	36,959	0
Louisiana	3,939	0	4,179	267	16,950	0	20,420	267
Oklahoma	10,153	0	14,602	0	35,252	82	49,386	72
Texas	24,537	0	24,223	0	93,815	128	115,169	117
West South Central	46,043	0	52,720	267	173,669	210	221,934	456
Montana	5,901	0	4,129	0	16,320	0	20,126	0
Idaho	1,390	0	862	0	6,006	0	6,709	0
Wyoming	2,560	0	1,714	0	7,319	0	8,900	0
Colorado	5,374	21	2,996	2	19,130	88	21,716	85
New Mexico	3,187	0	5,310	0	8,592	175	13,797	165
Arizona	2,965	0	2,587	0	5,732	0	8,265	0
Utah	274	0	212	0	1,926	0	2,099	0
Nevada	0	28	0	6	0	80	0	75
Mountain	21,651	49	17,810	8	65,025	343	81,612	325
Washington	2,195	1,336	2,240	708	9,458	3,148	11,469	3,622
Oregon	2,240	64	2,776	15	10,044	249	12,215	264
California	680	0	660	757	2,083	391	2,672	1,104
Pacific	5,115	1,400	5,676	1,480	21,585	3,788	26,356	4,990
United States	272,337	11,811	312,004	14,502	962,889	35,428	1,250,938	48,748
Possessions 5/	525	52	797	29	925	307	1,710	337

1/ Net advances after deducting unused loan funds.
2/ Approximately 78 percent of the individuals served by these cooperatives were farmers.
3/ Principally loans to public bodies and to power companies for rural electrification.
4/ Cumulative net advances minus principal repayments.
5/ Alaska and Virgin Islands.

Rural Electrification Administration.

TABLE 22.- Taxes levied on farm property and automotive taxes paid by farmers, United States, average 1909-13 and annual 1925-49

Year	Property taxes levied		Automotive taxes paid		
	Farm real estate	Farm personal property 1/	Licenses and permits 2/	Motor fuel taxes 3/	
				State 4/	Federal 5/
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
1909-13 average	184,315	28,437	6/ 1,195		
1925	516,790	62,622	41,127	21,896	
1926	525,564	63,786	45,446	28,209	
1927	544,690	65,417	47,626	37,294	
1928	555,635	69,594	50,310	42,660	
1929	567,493	73,323	52,808	55,626	
1930	566,956	71,082	55,092	63,108	
1931	526,954	54,678	53,217	61,473	
1932	461,670	42,779	49,831	56,895	8,953
1933	399,168	34,377	44,713	56,687	22,827
1934	384,842	35,146	44,415	60,586	18,821
1935	393,678	36,758	46,948	65,745	20,604
1936	396,277	39,886	50,830	70,570	21,438
1937	406,967	41,203	56,181	74,959	23,199
1938	401,998	42,108	55,702	76,057	24,222
1939	408,565	42,949	56,472	77,771	26,105
1940	401,780	43,885	58,723	79,265	35,850
1941	406,413	50,283	62,906	81,761	45,382
1942	401,771	58,795	97,599	76,661	46,034
1943	403,008	69,475	86,893	72,843	46,556
1944	421,476	73,628	86,680	74,545	49,080
1945	471,181	7/ 83,000	89,824	8/ 86,599	8/ 55,217
1946	524,621	7/ 92,000	77,604	8/ 106,341	8/ 64,369
1947	600,161	7/ 105,000	90,838	8/ 125,921	8/ 74,178
1948	650,847	7/ 115,000	8/105,463	8/ 140,352	8/ 81,260
1949	699,209	7/ 124,000	7/113,500	7/ 155,600	7/ 85,400

1/ Also includes taxes levied on motor vehicles under general property-tax laws.
2/ Also includes Federal use tax from 1942 through 1945.
3/ State taxation of motor fuel began in 1919, Federal in 1932.
4/ 1925-48, taxes on motor fuel used in automobiles and trucks only; thereafter, also includes taxes on gasoline used in farm tractors.
5/ Taxes on all motor fuel used in automobiles, trucks, and tractors.
6/ 1910-14 average.
7/ Preliminary.
8/ Revised.

TABLE 23.- Taxes levied on farm real estate: Amount per acre, index numbers of amount per acre, and amount per $100 of full value, United States, 1890-1949 1/

Year	Taxes per acre		Taxes per $100 of full value 3/	Year	Taxes per acre		Taxes per $100 of full value 3/
	Amount	Index 2/ (1909-13 = 100)			Amount	Index 2/ (1909-13 = 100)	
	Dollars		Dollars		Dollars		Dollars
1890	0.13	63	-	1920	0.51	244	0.79
1891	.13	63	-	1921	.54	259	.94
1892	.13	64	-	1922	.54	261	.96
1893	.13	65	-	1923	.55	266	1.01
1894	.13	64	-	1924	.55	265	1.03
1895	.14	65	-	1925	.56	270	1.07
1896	.13	63	-	1926	.56	271	1.12
1897	.13	64	-	1927	.57	277	1.15
1898	.13	63	-	1928	.58	279	1.18
1899	.13	63	0.66	1929	.58	281	1.19
1900	.13	62	-	1930	.57	277	1.30
1901	.13	64	-	1931	.53	254	1.44
1902	.14	65	-	1932	.46	220	1.54
1903	.15	71	-	1933	.39	188	1.28
1904	.15	72	-	1934	.37	178	1.19
1905	.15	74	-	1935	.37	180	1.15
1906	.15	75	-	1936	.38	181	1.16
1907	.16	79	-	1937	.39	186	1.19
1908	.17	84	-	1938	.38	183	1.19
1909	.19	90	.48	1939	.39	186	1.23
1910	.19	91	.47	1940	.38	183	1.22
1911	.21	99	.50	1941	.38	182	1.18
1912	.21	103	.49	1942	.37	177	1.08
1913	.24	117	.55	1943	.36	175	.95
1914	.24	118	.56	1944	.37	181	.91
1915	.26	128	.57	1945	.41	199	.90
1916	.28	136	.57	1946	.46	222	.90
1917	.31	151	.58	1947	.53	254	.96
1918	.33	160	.57	1948	.57	275	1.00
1919	.41	200	.59	1949	.61	296	1.10

1/ Data indicate year of levy but not necessarily year of payment.
2/ Index numbers computed before rounding taxes per acre to nearest cent.
3/ Derived from tax-per-acre figures in column 1 and value-per-acre figures reported by Bureau of the Census for census years and estimated by Bureau of Agricultural Economics for intercensal years. Taxes levied in any particular year are related to values for next succeeding year. Estimates of values for intercensal years before 1909 are not available.

TABLE 34.- Taxes levied on farm real estate: Amount per acre, by States, average 1909-13 and selected years 1920-49 (year of levy but not necessarily year of payment)

State and division	Average 1909-13	1920	1925	1930	1935	1940	1945	1947	1948	1949
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
Maine	0.28	0.55	0.62	0.81	0.75	0.84	1.01	1.17	1.26	1.29
New Hampshire	.31	.57	.69	.76	.81	.87	.88	1.08	1.22	1.35
Vermont	.21	.45	.51	.58	.45	.53	.59	.70	.77	.83
Massachusetts	.81	1.55	2.00	2.16	2.61	2.70	2.71	3.46	3.46	4.01
Rhode Island	.46	.81	1.03	1.35	1.36	1.68	1.76	1.85	1.83	2.03
Connecticut	.48	1.08	1.36	1.63	1.79	1.85	2.19	2.67	2.87	3.11
New England	.37	.74	.90	1.03	1.09	1.16	1.26	1.54	1.67	1.78
New York	.41	.87	1.04	1.04	.95	1.09	1.06	1.34	1.43	1.52
New Jersey	.72	1.50	2.18	2.74	2.03	2.21	2.23	2.59	2.81	2.97
Pennsylvania	.49	.82	1.11	1.30	.97	.99	1.05	1.14	1.24	1.33
Middle Atlantic	.46	.89	1.13	1.24	1.02	1.11	1.12	1.32	1.42	1.52
Ohio	.47	1.07	1.31	1.36	.65	.68	.73	.84	.90	.97
Indiana	.52	1.26	1.40	1.47	.69	.74	.82	1.11	1.15	1.15
Illinois	.40	.99	1.15	1.16	.79	.97	1.06	1.48	1.75	1.86
Michigan	.43	1.23	1.26	1.34	.46	.46	.54	.64	.70	.77
Wisconsin	.34	1.04	.96	1.05	.75	.78	.96	1.26	1.39	1.49
East North Central	.43	1.10	1.21	1.26	.69	.76	.85	1.12	1.24	1.32
Minnesota	.23	.76	.78	.87	.61	.66	.83	1.09	1.15	1.24
Iowa	.40	1.10	1.15	1.24	.94	.99	1.18	1.44	1.59	1.73
Missouri	.14	.28	.43	.45	.32	.32	.33	.42	.44	.46
North Dakota	.14	.44	.37	.38	.23	.22	.24	.29	.31	.40
South Dakota	.13	.45	.44	.44	.23	.22	.23	.29	.30	.34
Nebraska	.16	.42	.42	.44	.29	.30	.36	.51	.53	.55
Kansas	.19	.42	.52	.55	.37	.36	.40	.59	.61	.68
West North Central	.20	.54	.58	.61	.41	.42	.48	.63	.67	.73
Delaware	.25	.68	.73	.50	.36	.31	.33	.35	.35	.38
Maryland	.38	.72	.88	.93	.66	.80	.82	1.01	1.05	1.12
Virginia	.11	.23	.34	.34	.25	.26	.27	.33	.37	.40
West Virginia	.12	.31	.43	.46	.16	.16	.16	.17	.18	.20
North Carolina	.08	.34	.55	.59	.32	.37	.40	.44	.47	.49
South Carolina	.13	.35	.39	.40	.30	.30	.24	.25	.26	.29
Georgia	.11	.28	.29	.30	.23	.14	.18	.25	.28	.30
Florida	.11	.46	.95	.70	.44	.51	.67	.89	.96	1.05
South Atlantic	.12	.33	.46	.45	.29	.29	.34	.41	.45	.48
Kentucky	.15	.38	.40	.43	.30	.32	.38	.53	.56	.61
Tennessee	.14	.40	.43	.47	.37	.38	.43	.47	.46	.49
Alabama	.09	.19	.21	.25	.21	.20	.22	.22	.23	.24
Mississippi	.14	.50	.59	.63	.45	.32	.27	.28	.32	.31
East South Central	.13	.36	.41	.44	.33	.31	.32	.37	.39	.41
Arkansas	.15	.33	.34	.32	.28	.29	.32	.31	.31	.36
Louisiana	.15	.55	.57	.57	.45	.32	.34	.35	.38	.39
Oklahoma	.19	.38	.42	.47	.23	.24	.24	.32	.34	.35
Texas	.06	.16	.20	.23	.14	.14	.15	.18	.17	.19
West South Central	.09	.24	.27	.30	.19	.18	.19	.22	.22	.25
Montana	.06	.14	.13	.14	.11	.11	.10	.14	.14	.15
Idaho	.24	.63	.58	.64	.45	.45	.52	.66	.73	.78
Wyoming	.03	.09	.07	.09	.06	.06	.06	.08	.09	.11
Colorado	.11	.27	.28	.28	.19	.19	.20	.24	.25	.26
New Mexico	.02	.05	.06	.07	.05	.04	.05	.06	.06	.07
Arizona	.06	.18	.19	.20	.13	.07	.08	.12	.14	.17
Utah	.15	.47	.46	.52	.38	.31	.35	.48	.50	.54
Nevada	.06	.21	.22	.15	.17	.15	.17	.19	.22	.23
Mountain	.08	.20	.18	.19	.13	.12	.13	.17	.18	.20
Washington	.28	.67	.61	.71	.41	.32	.43	.60	.82	.85
Oregon	.15	.37	.37	.40	.32	.33	.26	.38	.46	.54
California	.35	.93	1.07	1.14	.63	.83	.99	1.51	1.69	1.69
Pacific	.29	.73	.78	.84	.49	.57	.66	.99	1.15	1.18
UNITED STATES	.21	.51	.56	.57	.37	.38	.41	.53	.57	.61

TABLE 25.- Taxes levied on farm real estate: Index numbers of amount per acre, by States, selected years 1920-49 (year of levy but not necessarily year of payment) 1/
(1909-13 = 100)

State and division	1920	1925	1930	1935	1940	1945	1947	1948	1949
Maine	194	219	288	265	298	356	414	444	457
New Hampshire	182	220	243	258	277	281	342	387	429
Vermont	219	247	281	217	258	283	337	372	402
Massachusetts	191	248	268	324	335	335	429	468	496
Rhode Island	178	227	298	298	369	386	406	402	446
Connecticut	223	282	337	371	383	453	552	593	643
New England	198	242	277	292	311	339	412	447	477
New York	211	252	252	230	264	258	325	347	370
New Jersey	208	303	381	282	308	310	360	391	412
Pennsylvania	168	227	267	200	202	216	234	255	272
Middle Atlantic	191	244	268	220	240	242	286	308	328
Ohio	229	280	292	140	147	157	181	193	209
Indiana	241	269	282	132	143	158	212	220	220
Illinois	249	289	291	199	244	266	371	440	468
Michigan	284	292	310	106	107	124	148	163	178
Wisconsin	306	280	309	221	229	280	370	408	436
East North Central	257	281	293	160	176	198	260	290	307
Minnesota	329	337	375	261	283	355	470	496	535
Iowa	272	285	308	233	245	292	355	395	429
Missouri	207	311	328	231	230	241	308	321	338
North Dakota	309	265	265	161	156	167	204	222	286
South Dakota	352	349	349	183	172	183	232	238	265
Nebraska	261	266	277	184	189	228	320	331	345
Kansas	224	275	292	199	193	215	315	327	362
West North Central	269	290	304	207	210	242	316	336	368
Delaware	275	292	201	146	126	134	139	139	151
Maryland	191	233	245	175	211	216	267	278	297
Virginia	210	308	305	226	240	247	297	336	363
West Virginia	271	371	395	134	139	136	148	154	173
North Carolina	424	700	748	405	463	503	554	594	616
South Carolina	272	300	310	228	230	182	190	202	221
Georgia	254	263	272	206	129	167	224	254	272
Florida	424	875	652	411	476	622	819	891	971
South Atlantic	274	379	375	237	244	280	340	370	397
Kentucky	252	268	284	196	212	252	351	375	404
Tennessee	285	309	339	267	277	307	336	329	354
Alabama	212	236	286	239	230	247	250	259	269
Mississippi	361	426	457	328	230	197	206	236	229
East South Central	281	314	344	257	237	250	285	300	320
Arkansas	227	232	217	195	196	221	212	213	250
Louisiana	366	379	384	301	211	226	235	252	261
Oklahoma	204	221	248	122	127	130	170	183	188
Texas	274	352	409	251	237	268	309	295	340
West South Central	252	290	319	198	186	204	235	235	261
Montana	223	205	217	176	167	162	214	219	237
Idaho	267	248	273	190	192	223	282	309	330
Wyoming	277	217	275	172	172	193	238	273	342
Colorado	245	253	256	170	173	178	215	226	239
New Mexico	242	291	333	212	202	216	270	282	305
Arizona	293	298	315	200	115	130	197	215	271
Utah	311	304	346	250	203	233	315	333	361
Nevada	340	348	238	263	238	270	307	355	371
Mountain	244	224	237	165	152	161	208	222	245
Washington	240	216	252	147	115	151	214	291	302
Oregon	251	255	275	220	228	181	261	315	368
California	262	301	321	178	233	280	427	476	477
Pacific	253	269	290	171	196	228	342	396	406
UNITED STATES	244	270	277	180	183	199	254	275	296

1/ Index numbers computed before rounding taxes per acre to nearest cent.

TABLE 26.- Taxes levied on farm real estate: Amount per $100 of full value, by States, average 1909-13 and selected years 1920-49 (year of levy but not necessarily year of payment) 1/

State and division	Average 1909-13	1920	1925	1930	1935	1940	1945	1947	1948	1949
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
Maine	1.10	1.54	1.57	1.97	2.48	2.90	2.79	2.92	2.95	3.26
New Hampshire	1.14	1.64	1.76	1.95	2.51	2.55	2.11	2.23	2.48	2.91
Vermont	.85	1.17	1.42	1.59	1.55	1.80	1.55	1.54	1.57	1.78
Massachusetts	1.15	1.59	1.76	1.65	2.28	2.48	2.00	2.34	2.47	2.76
Rhode Island	.72	.99	1.06	1.09	1.18	1.41	1.19	1.08	1.03	1.18
Connecticut	.72	1.08	1.15	1.07	1.30	1.33	1.20	1.26	1.34	1.48
New England	.99	1.38	1.51	1.56	1.88	2.10	1.80	1.94	2.02	2.26
New York	.75	1.33	1.46	1.53	1.68	2.02	1.56	1.66	1.63	1.77
New Jersey	.83	1.29	1.46	1.70	1.64	1.75	1.27	1.29	1.34	1.42
Pennsylvania	.86	1.14	1.49	1.77	1.70	1.73	1.50	1.36	1.38	1.55
Middle Atlantic	.77	1.25	1.48	1.65	1.69	1.87	1.50	1.49	1.49	1.65
Ohio	.66	1.11	1.53	1.90	1.07	1.03	.74	.71	.73	.82
Indiana	.66	1.08	1.73	2.29	1.24	1.17	.78	.89	.90	.91
Illinois	.34	.55	.88	1.21	1.08	1.18	.82	.95	1.07	1.11
Michigan	.87	1.62	1.81	2.09	1.00	.93	.72	.72	.77	.86
Wisconsin	.57	1.04	1.14	1.50	1.39	1.57	1.45	1.57	1.66	1.86
East North Central	.54	.91	1.29	1.67	1.16	1.19	.87	.96	1.02	1.09
Minnesota	.46	.70	1.00	1.45	1.41	1.50	1.34	1.44	1.46	1.52
Iowa	.38	.52	.81	1.15	1.21	1.27	1.00	.98	1.05	1.13
Missouri	.26	.34	.75	.98	1.00	1.01	.68	.76	.75	.78
North Dakota	.46	1.11	1.30	1.72	1.27	1.73	1.26	1.20	1.16	1.54
South Dakota	.31	.66	1.05	1.42	1.24	1.76	1.18	1.11	1.06	1.22
Nebraska	.33	.52	.70	.85	.87	1.34	.91	.98	.92	1.02
Kansas	.45	.68	1.06	1.24	1.17	1.24	.91	.99	.99	1.12
West North Central	.38	.60	.90	1.20	1.16	1.34	1.01	1.05	1.06	1.16
Delaware	.48	1.04	1.05	.69	.62	.49	.37	.34	.33	.37
Maryland	.75	.99	1.12	1.19	1.13	1.21	.86	.88	.89	.98
Virginia	.38	.43	.68	.77	.69	.64	.43	.47	.49	.55
West Virginia	.41	.77	1.10	1.29	.60	.50	.36	.32	.32	.39
North Carolina	.36	.71	1.09	1.48	.94	.99	.62	.56	.57	.59
South Carolina	.49	.66	.96	1.27	1.23	1.00	.56	.49	.47	.57
Georgia	.58	.79	1.09	1.28	1.33	.67	.59	.67	.69	.79
Florida	.42	.86	.88	.88	.88	1.39	1.59	2.06	2.26	2.43
South Atlantic	.47	.70	.97	1.14	.95	.86	.68	.70	.72	.80
Kentucky	.50	.73	.92	1.09	.99	.87	.63	.74	.72	.82
Tennessee	.54	.89	1.02	1.24	1.17	1.05	.73	.66	.61	.67
Alabama	.60	.82	.81	.98	1.07	.93	.65	.53	.51	.56
Mississippi	.72	1.69	1.99	2.15	2.29	1.27	.69	.59	.64	.63
East South Central	.56	.95	1.15	1.32	1.30	1.03	.67	.64	.63	.69
Arkansas	.78	.91	1.01	1.12	1.23	1.13	.78	.58	.52	.64
Louisiana	.62	1.41	1.44	1.42	1.56	.90	.67	.60	.57	.60
Oklahoma	.72	.92	1.22	1.41	.98	1.00	.66	.74	.69	.73
Texas	.32	.55	.70	.90	.74	.75	.54	.52	.49	.56
West South Central	.47	.74	.88	1.07	.92	.86	.60	.57	.54	.63
Montana	.34	.75	.99	1.22	1.36	1.51	1.00	1.10	1.09	1.21
Idaho	.52	.98	1.30	1.45	1.41	1.43	1.21	1.39	1.56	1.75
Wyoming	.26	.55	.80	1.04	1.01	1.08	.75	.79	.88	1.14
Colorado	.36	.81	1.19	1.32	1.36	1.60	1.11	1.06	1.11	1.27
New Mexico	.26	.64	.96	1.04	.99	.82	.66	.66	.62	.74
Arizona	.18	.71	1.32	1.21	1.46	1.20	.97	1.27	1.49	1.89
Utah	.44	1.19	1.19	1.36	1.52	1.50	1.31	1.56	1.63	1.82
Nevada	.38	.84	1.37	.96	1.38	1.25	1.33	1.31	1.51	1.66
Mountain	.38	.84	1.12	1.25	1.26	1.33	1.03	1.12	1.18	1.38
Washington	.55	1.01	1.06	1.28	1.06	.84	.70	.85	1.20	1.34
Oregon	.36	.73	.89	1.07	1.22	1.27	.67	.90	1.11	1.40
California	.59	.86	.94	1.04	.82	1.19	.88	1.13	1.52	1.67
Pacific	.54	.87	.95	1.08	.91	1.14	.82	1.13	1.41	1.57
UNITED STATES	.50	.79	1.07	1.30	1.15	1.22	.90	.96	1.00	1.10

1/ Derived from tax-per-acre figures in table 24 and value-per-acre figures reported by Bureau of the Census for census years and estimated by Bureau of Agricultural Economics for intercensal years. Taxes levied in any particular year are related to values for next succeeding year.

TABLE 27.- Farm fire losses, United States, 1937-49 1/

Year	Amount	Year	Amount	Year	Amount
	Million dollars		Million dollars		Million dollars
1937	66	1941	68	1945	80
1938	73	1942	64	1946	91
1939	76	1943	75	1947	99
1940	71	1944	77	1948	99
				1949	2/ 95

1/ Represents fire and lightning losses on buildings, implements and machinery, livestock, crops and household goods.
2/ Preliminary.

TABLE 28.- Farmers' mutual fire insurance: Number of companies, amount and cost of insurance, and surplus and reserves, United States, 1914-49 1/

Year	Companies 2/	Insurance in force at end of year	Cost per $100 of insurance			Surplus and reserves at end of year 3/
			Losses	Expenses	Total	
	Number	1,000 dollars	Cents	Cents	Cents	1,000 dollars
1914	1,947	5,284,119	20.4	6.0	26.4	-
1915	1,879	5,366,760	17.5	6.0	23.5	-
1916	1,883	5,635,968	19.6	5.9	25.5	-
1917	1,829	5,876,853	18.2	6.4	24.6	-
1918	1,866	6,391,522	18.8	6.3	25.1	-
1919	1,922	6,937,523	17.3	7.8	25.1	-
1920	1,944	7,865,988	17.4	8.4	25.8	-
1921	1,951	8,409,683	19.4	7.8	27.2	-
1922	1,918	8,769,948	20.9	5.8	26.7	-
1923	1,907	9,057,938	19.8	6.6	26.4	-
1924	1,929	9,487,029	20.4	6.5	26.9	-
1925	1,839	9,477,139	21.1	6.7	27.8	-
1926	1,911	9,988,580	19.4	6.9	26.3	-
1927	1,889	10,345,463	19.0	6.3	25.3	-
1928	1,884	10,781,212	20.5	6.6	27.1	-
1929	1,876	11,118,510	21.8	6.6	28.4	-
1930	1,886	11,382,104	24.8	6.8	31.6	-
1931	1,863	11,292,339	24.1	6.9	31.0	-
1932	1,847	10,974,082	24.9	7.1	32.0	-
1933	1,826	10,466,384	21.2	7.3	28.5	-
1934	1,852	10,571,508	19.7	7.2	26.9	-
1935	1,941	11,083,300	15.7	7.5	23.2	33,656
1936	1,936	11,339,510	20.7	7.4	28.0	35,083
1937	1,924	11,569,476	16.5	7.6	24.1	37,479
1938	1,914	11,868,569	18.0	8.0	26.0	40,105
1939	1,904	12,143,881	18.4	8.2	26.6	41,819
1940	1,898	12,294,287	17.1	8.1	25.2	45,474
1941	1,885	12,518,913	16.2	8.4	24.6	50,119
1942	1,877	12,982,390	14.6	8.1	22.7	55,797
1943	1,878	13,777,555	16.2	7.7	23.9	61,413
1944	1,847	14,221,012	15.9	7.8	23.7	63,490
1945	1,841	15,170,456	15.6	8.0	23.6	70,644
1946	1,833	16,941,434	15.8	8.8	24.6	76,194
1947	1,803	19,263,743	15.8	8.5	24.3	85,625
1948 4/	1,801	21,896,473	18.3	9.1	27.4	95,199
1949 5/	-	23,600,000	14.6	8.6	23.2	109,000

1/ For 1914-33 includes companies with more than 65 percent of their insurance on farm property; for later years those with more than 50 percent. In recent years between 86 and 88 percent of total insurance has been on farm property.
2/ Number of companies for which data were obtained; perhaps not entirely complete for any year.
3/ Excess of assets over liabilities. Most farmers' mutuals are assessment companies and as such are not required to set up unearned premium reserves. Data not compiled before 1935.
4/ Preliminary. Data for some companies not available at time of publication.
5/ Estimates based on sample of companies; not available by States.

Data for 1914-33 and 1942-49 compiled by Bureau of Agricultural Economics; those for 1934-41 by Farm Credit Administration.

TABLE 29.- Farmers' mutual fire insurance: Number of companies, amount and cost of insurance, and surplus and reserves, by States, 1948 1/

States and division	Companies	Insurance in force at end of year	Cost per $100 of insurance			Surplus and reserves at end of year 2/
			Losses	Expenses	Total	
	Number	1,000 dollars	Cents	Cents	Cents	1,000 dollars
Maine	34	75,943	30.0	21.3	51.3	498
New Hampshire	13	49,393	25.3	21.1	46.4	429
Vermont	4	125,716	37.7	9.9	47.6	427
Massachusetts 3/	0	0	.0	.0	.0	0
Rhode Island	2	5,500	21.8	16.6	38.4	177
Connecticut	3	45,978	14.7	11.0	25.7	430
New England	56	302,530	29.9	14.9	44.8	1,961
New York	128	1,118,802	21.1	9.2	30.3	5,654
New Jersey	10	263,658	16.0	16.9	32.9	2,657
Pennsylvania	144	1,490,451	14.3	9.8	24.1	8,280
Middle Atlantic	282	2,872,911	17.1	10.2	27.3	16,591
Ohio	94	1,574,451	30.2	4.8	35.0	3,412
Indiana	73	1,322,904	29.6	6.6	36.2	3,665
Illinois	206	2,053,338	30.8	11.0	41.8	7,126
Michigan	59	1,194,706	22.0	10.7	32.7	4,391
Wisconsin	194	2,098,169	12.8	5.0	17.8	5,831
East North Central	626	8,243,568	24.6	7.5	32.1	24,225
Minnesota	153	1,635,314	11.1	4.7	15.8	5,144
Iowa	151	2,468,249	10.5	5.5	16.0	9,027
Missouri	115	520,022	19.3	9.5	28.8	1,635
North Dakota	34	244,365	11.3	7.9	19.2	1,171
South Dakota	44	594,150	8.7	6.5	15.2	2,896
Nebraska	42	813,544	8.0	9.2	17.2	2,589
Kansas	15	1,134,725	18.0	13.9	31.9	4,068
West North Central	554	7,410,369	12.0	7.5	19.5	25,930
Delaware	3	7,369	9.6	18.3	27.9	165
Maryland	12	862,130	15.2	18.7	33.9	5,702
Virginia	39	262,734	14.1	11.5	25.6	3,129
West Virginia	14	147,605	8.1	14.2	22.3	1,606
North Carolina	30	105,600	16.9	11.8	28.7	1,465
South Carolina	8	16,113	25.1	21.0	46.1	461
Georgia	19	49,920	27.6	15.2	42.8	912
Florida 3/	0	0	.0	.0	.0	0
South Atlantic	125	1,451,411	14.9	16.3	31.2	13,440
Kentucky	17	124,284	37.8	18.3	56.1	2,055
Tennessee	30	90,061	17.2	15.2	32.4	664
Alabama	3	19,677	20.1	49.5	69.6	186
Mississippi 3/	0	0	.0	.0	.0	0
East South Central	50	234,022	28.5	19.5	48.0	2,905
Arkansas	15	82,049	43.3	25.2	68.5	602
Louisiana 3/	0	0	.0	.0	.0	0
Oklahoma	6	98,979	46.0	8.3	54.3	800
Texas	34	207,936	16.9	6.9	23.8	1,579
West South Central	55	388,964	29.8	11.1	40.9	2,981
Montana	12	43,299	12.9	9.1	22.0	311
Idaho	8	148,754	9.5	13.4	22.9	609
Wyoming	3	6,602	25.4	33.2	58.6	52
Colorado	5	112,098	10.3	15.6	25.9	927
New Mexico 3/	0	0	.0	.0	.0	0
Arizona 3/	0	0	.0	.0	.0	0
Utah	1	27,544	14.8	21.7	36.5	392
Nevada 3/	0	0	.0	.0	.0	0
Mountain	29	338,297	11.0	14.6	25.6	2,291
Washington	5	127,628	13.7	13.7	27.4	2,040
Oregon	5	64,454	15.6	13.8	29.4	776
California	14	462,319	10.9	16.1	27.0	2,059
Pacific	24	654,401	11.9	15.4	27.3	4,875
United States	1,801	21,896,473	18.3	9.1	27.4	95,199

1/ Preliminary. Includes companies with more than half of their insurance on farm property for which data were obtained. About 46 percent of total insurance was on farm property.

2/ Excess of assets over liabilities. Most farmers' mutuals are assessment companies and as such are not required to set up unearned premium reserves.

3/ No mutual fire insurance company with more than half of its insurance on farm property.

TABLE 30.- Comparative balance sheet of agriculture, United States, January 1, 1940-50 1/

Item	1940	1941	1942	1943	1944	1945	1946	1947	1948	1949	1950
	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars
ASSETS											
Physical assets:											
Real estate	33,642	33,497	35,331	37,855	42,532	46,389	52,114	58,604	62,813	65,168	63,527
Non-real-estate:											
Livestock	5,133 2/	5,326 2/	7,073 2/	9,643 2/	9,684	9,012	9,742	11,978	13,384 2/	14,657	13,211
Machinery and motor vehicles	3,118	3,369	3,988	4,669	4,846	6,114	6,073	6,706 2/	8,863 2/	11,683	14,280
Crops, stored on and off farms 3/	2,645	2,944	3,798	5,110	6,079	6,396	6,030	6,852	8,789 2/	8,417	7,823
Household furnishings and equipment 4/	4,275	4,299	4,386	4,265	4,276	4,232	4,415	4,880	5,415	6,000	6,500
Financial assets:											
Deposits and currency	3,900	4,300	5,300	7,000	8,700	10,800	13,500	14,900	15,300	14,800	14,300
United States savings bonds	249	352	511	1,061	2,335	3,714	4,498	4,504	4,781 2/	5,025	5,250
Investments in cooperatives	826	875	953	1,044	1,140	1,264 2/	1,437 2/	1,625 2/	1,880 2/	2,041	2,205
Total	53,788 2/	54,962 2/	61,340 2/	70,647 2/	79,592	87,921 2/	97,809 2/	110,049 2/	121,225 2/	127,791	127,096
CLAIMS											
Liabilities:											
Real estate debt	6,586	6,491	6,372	5,951	5,389	4,933	4,682	4,777	4,882	5,108	5,413
Non-real-estate debt:											
To principal institutions:											
Excluding loans held or guaranteed by Commodity Credit Corporation	1,504 2/	1,647 2/	1,783 2/	1,672	1,688	1,622	1,671 2/	1,954 2/	2,293	2,714	2,838
Loans held or guaranteed by Commodity Credit Corporation	445	629	610	773	589	683	277	65 2/	74	1,152	1,719
To others 5/	1,500	1,700	1,700	1,500	1,200	1,100	1,200	1,500	1,800	2,200	2,400
Total liabilities	10,035 2/	10,467 2/	10,465 2/	9,896	8,866	8,338	7,830 2/	8,296 2/	9,049	11,174	12,370
Proprietors' equities	43,753 2/	44,495	50,875 2/	60,751 2/	70,726	79,583 2/	89,979 2/	101,753 2/	112,176 2/	116,617	114,726
Total	53,788 2/	54,962 2/	61,340 2/	70,647 2/	79,592	87,921 2/	97,809 2/	110,049 2/	121,225 2/	127,791	127,096

1/ The margin of error of the estimates varies with the items.
2/ Revised.
3/ Includes all crops held on farms for whatever purpose and crops held in bonded warehouses as security for Commodity Credit Corporation loans. The latter on January 1, 1950 totaled 1,023 million dollars.
4/ Estimated valuation for 1940 plus purchases minus depreciation since then.
5/ Tentative. Includes individuals, merchants, dealers, and other miscellaneous lenders.

TABLE 31.- Comparative income statement for agriculture, United States, 1940-49

TABLE 31.- Comparative income statement for agriculture, United States, 1940-49

Item	1940	1941	1942	1943	1944	1945	1946	1947	1948	1949
	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars
HOW NET INCOME WAS OBTAINED										
Gross income from agriculture:										
Cash receipts from farm marketings	8,364	11,181	15,372	19,434	20,360	21,520	24,864	30,014	1/ 30,544	28,127
Value of products retained on farms for home consumption	1,254	1,460	1,788	2,163	2,201	2,256	2,624	3,095	1/ 2,936	2,504
Rental value of farm homes	625	654	694	739	794	874	995	1,220	1/ 1,334	1,351
Total	10,243	13,295	17,854	22,336	23,355	24,650	28,483	34,329	1/ 34,814	31,982
Nonlabor production costs:										
Feed bought	998	1,089	1,625	2,135	2,427	2,704	2,964	3,692	3,865	3,080
Livestock bought, except horses and mules	476	585	799	779	677	870	1,063	1,268	1/ 1,473	1,363
Fertilizer and lime bought	261	292	352	423	476	510	620	685	1/ 717	784
Vehicle operation	584	645	812	932	1,068	1,115	1,293	1,546	1,783	1,980
Depreciation and maintenance	1,088	1,223	1,406	1,559	1,706	1,932	2,100	2,630	1/ 3,211	3,707
Taxes on real estate and tangible personalty	446	457	461	472	495	554	617	705	765	823
Miscellaneous	885	975	1,162	1,269	1,307	1,339	1,512	1,790	1/ 1,997	2,064
Total	-4,738	-5,266	-6,617	-7,569	-8,156	-9,024	-10,169	-12,316	1/ -13,811	-13,801
Adjustment for changes in inventory 2/	+96	+374	+928	+536	-402	-439	-126	-1,059	1/ +496	-258
Total net income from agriculture	5,601	8,403	12,165	15,303	14,797	15,187	18,188	20,954	1/ 21,499	17,923
Government payments	+766	+586	+697	+672	+804	+769	+772	+314	+257	+185
Total net income from agriculture and Government payments	6,367	8,989	12,862	15,975	15,601	15,956	18,960	21,268	1/ 21,756	18,108
HOW NET INCOME WAS DISTRIBUTED										
Wages to hired labor (cash and perquisites)	1,023	1,243	1,633	2,019	2,197	2,312	2,550	2,837	3,062	2,940
Net rent and Government payments to landlords not living on farms 3/	430	676	943	1,048	1,057	1,073	1,303	1,474	1/ 1,443	1,055
Interest to holders of farm mortgages	293	284	272	246	230	220	216	222	229	242
Returns to operators 4/	4,621	6,786	10,014	12,662	12,117	12,351	14,891	16,735	1/ 17,022	13,871
Total net income from agriculture and Government payments	6,367	8,989	12,862	15,975	15,601	15,956	18,960	21,268	1/ 21,756	18,108

1/ Revised.
2/ Market value, in terms of prices at end of year, of increase or decrease in physical quantities of crops on farms for sale or of numbers of livestock whether or not for sale.
3/ After subtraction of estimates for taxes, mortgage interest, and other expenses paid by such landlords.
4/ Realized net income adjusted for change in inventory.

TABLE 32.- Farm real estate: Land transfers and value, United States, 1930-50

Year	Number of farms changing ownership per 1,000 farms 1/				Index of average value per acre 3/ (1912-14 = 100)
	Voluntary sales and trades	Forced sales and related defaults	Other 2/	Total	
	Number	Number	Number	Number	
1930	23.7	20.8	17.0	61.5	115
1931	19.0	26.1	16.8	61.9	106
1932	16.2	41.7	18.8	76.7	89
1933	16.8	54.1	22.7	93.6	73
1934	17.8	39.1	21.7	78.6	76
1935	19.4	28.3	21.4	69.1	79
1936	24.8	26.2	21.9	72.9	82
1937	31.5	22.4	20.1	74.0	85
1938	30.5	17.4	17.5	65.4	85
1939	29.7	17.0	17.1	63.8	84
1940	30.2	15.9	16.9	63.0	84
1941	34.1	13.9	15.7	63.7	85
1942	41.7	9.3	15.1	66.1	91
1943	45.8	6.6	14.6	67.0	99
1944	55.9	4.9	15.3	76.1	114
1945	51.5	3.0	15.2	69.7	126
1946	57.4	2.3	15.3	75.0	142
1947	57.7	1.8	16.3	75.8	159
1948	49.0	1.5	15.4	65.9	170
1949	40.8	1.6	14.5	56.9	175
1950	37.1	1.8	13.4	52.3	169

1/ Year ended March 15. 2/ Largely inheritance, gifts, and sales in settlement of estates; also includes a small number of miscellaneous and unclassified transfers. 3/ As of March 1.

TABLE 33.- Cash receipts from farming, and indexes of prices received by farmers, of prices paid by farmers, and of rural retail sales, United States, 1929-50

Year or month	Cash receipts from farming 1/	Prices received by farmers (1910-14 = 100)	Prices paid by farmers (1910-14 = 100)	Rural retail sales 2/ (1935-39 = 100)
	Million dollars			
1929	11,303	148	160	108
1930	9,085	125	151	85
1931	6,373	87	130	67
1932	4,747	65	112	55
1933	5,446	70	109	60
1934	6,780	90	120	72
1935	7,699	109	124	86
1936	8,694	114	124	99
1937	9,217	122	131	105
1938	8,168	97	124	99
1939	8,685	95	123	110
1940	1/ 9,130	100	124	117
1941	1/ 11,787	123	132	148
1942	1/ 16,069	158	152	164
1943	20,106	192	170	159
1944	21,164	196	182	166
1945	22,289	206	189	173
1946	25,636	234	207	248
1947	30,328	275	240	290
1948	1/ 30,801	285	259	319
1949:	1/ 28,312	249	250	289
August	1/ 2,565	244	249	287
September	1/ 2,929	247	248	287
October	1/ 3,366	242	246	266
November	1/ 2,905	237	245	285
December	1/ 2,473	233	246	312
1950:				
January	2,254	235	249	281
February	1,614	237	248	274
March	1,674	237	250	273
April	1,594	241	251	277
May	1,819	247	254	287
June	1,899	247	255	306
July	2,356	263	256	364
August	2,551	267	258	335

1/ Farm marketings and Government payments.
2/ Monthly figures adjusted for seasonal variation. Dept. of Commerce.
3/ Revised.

TABLE 34.- Farm real estate values: Index numbers of average value per acre, by States, March 1, selected years 1915-50 1/
(1912-14 = 100)

State and division	1915	1920	1925	1930	1935	1940	1945	1946	1947	1948	1949	1950
Maine	96	142	124	124	94	95	119	125	134	138	147	137
New Hampshire	101	129	111	111	90	94	117	122	136	142	144	136
Vermont	104	150	125	123	101	101	129	144	166	171	185	176
Massachusetts	98	140	132	131	111	113	133	141	145	154	159	152
Rhode Island	102	130	128	134	118	120	144	159	174	183	191	184
Connecticut	100	137	137	140	123	124	150	166	186	193	195	191
New England	99	140	127	127	104	106	130	140	152	159	166	158
New York	100	133	111	103	84	86	109	120	138	142	155	151
New Jersey	100	130	124	125	111	116	151	164	185	188	196	195
Pennsylvania	100	140	114	107	82	90	123	130	143	154	165	157
Middle Atlantic	100	136	114	106	85	90	119	128	144	151	162	157
Ohio	107	159	110	90	66	77	121	140	158	166	175	167
Indiana	102	161	102	80	61	74	124	145	158	172	176	174
Illinois	102	160	115	91	61	75	112	124	141	150	158	162
Michigan	105	154	133	121	83	91	145	167	194	198	202	199
Wisconsin	104	171	130	117	82	84	110	120	135	145	152	145
East North Central	104	161	116	96	68	78	119	134	152	161	168	166
Minnesota	107	213	159	133	83	86	115	129	143	157	164	169
Iowa	112	213	136	113	67	74	107	121	134	150	154	157
Missouri	102	167	112	92	58	59	91	102	113	116	123	124
North Dakota	103	145	109	95	67	52	76	83	92	110	118	114
South Dakota	101	181	115	93	54	41	62	68	77	91	98	97
Nebraska	101	179	123	113	72	58	86	96	108	126	139	130
Kansas	103	151	115	113	73	71	111	120	140	163	169	167
West North Central	105	184	126	109	68	65	96	106	119	135	142	141
Delaware	100	139	112	111	82	89	123	137	160	163	163	158
Maryland	104	166	131	123	91	100	147	165	196	201	206	200
Virginia	97	189	154	134	97	112	171	200	224	226	246	235
West Virginia	101	154	120	105	78	85	106	121	137	149	155	139
North Carolina	102	223	187	158	111	138	224	268	310	324	341	344
South Carolina	94	230	138	104	76	89	162	172	196	208	224	204
Georgia	94	217	116	100	72	82	132	146	173	180	195	182
Florida	97	178	172	172	126	133	185	204	226	210	206	210
South Atlantic	98	198	148	128	93	107	166	189	217	223	236	228
Kentucky	100	200	140	127	87	113	189	221	264	264	284	274
Tennessee	100	200	137	123	91	108	177	213	243	258	271	265
Alabama	98	177	154	143	110	122	180	208	247	252	275	261
Mississippi	97	218	136	122	90	106	165	196	216	238	251	246
East South Central	99	199	141	128	93	112	179	212	246	256	273	264
Arkansas	95	222	160	141	88	95	167	180	214	235	260	246
Louisiana	95	198	141	132	103	121	162	175	205	202	230	225
Oklahoma	95	166	131	127	86	93	131	156	169	185	211	205
Texas	103	174	146	138	91	99	137	150	165	187	187	182
West South Central	100	177	144	136	91	99	139	154	170	190	197	191
Montana	100	126	75	72	50	55	89	102	117	129	130	125
Idaho	96	172	123	116	80	86	140	153	160	168	165	158
Wyoming	103	176	100	98	62	68	115	132	147	168	169	159
Colorado	93	141	92	83	53	61	108	125	141	157	156	149
New Mexico	100	144	108	110	76	84	132	151	168	181	193	188
Arizona	97	165	121	123	91	95	145	158	176	181	180	172
Utah	98	167	130	126	84	89	121	127	136	146	146	141
Nevada	102	135	102	99	65	70	92	100	107	114	114	109
Mountain	98	151	105	102	70	76	120	134	149	161	163	156
Washington	100	140	113	110	76	84	133	153	170	174	168	157
Oregon	99	130	110	107	74	84	130	143	152	156	152	141
California	111	167	164	160	115	121	193	219	244	234	215	196
Pacific	107	156	146	142	101	108	171	194	215	210	196	180
United States	103	170	127	115	79	84	126	142	159	170	175	169

1/ All farm lands, including improvements.

TABLE 35.- Deposits of country banks: Index numbers of demand, time, and total deposits, selected groups of States, 1940-50 1/
(1924-29 = 100)

Year or month	20 leading agricultural States 2/				3 Lake States 3/			5 Corn Belt States 4/			8 cotton-growing States 5/		
	Total	Demand		Time	Total	Demand	Time	Total	Demand	Time	Total	Demand	Time
		Unadjusted	Adjusted for seasonal variations										
1940	102	116		87	97	120	86	109	126	92	96	112	81
1941	116	138		92	105	140	89	129	154	102	110	134	84
1942	141	184		94	120	179	91	160	207	108	139	186	84
1943	201	283		100	159	268	107	224	316	122	196	283	86
1944	257	365		120	201	333	137	290	413	154	247	360	102
1945	329	462		156	254	404	181	368	516	203	328	478	136
1946	395	556		187	311	494	222	442	618	244	395	577	165
1947	410	565		204	319	480	242	461	634	267	399	570	182
1948	418	574		210	324	488	245	466	637	276	406	578	187
1949	413	562		212	318	473	243	463	626	279	398	559	190
August	406	551	563	212	317	472	243	460	620	280	382	530	191
September	411	560	561	213	320	483	242	462	624	280	387	540	190
October	416	567	559	213	319	479	241	466	633	280	394	554	190
November	419	573	562	213	319	481	241	467	634	280	402	567	190
December	422	576	570	213	318	478	241	468	636	278	406	572	190
1950													
January	427	583	577	215	320	485	241	473	644	280	410	579	193
February	424	577	570	217	321	485	242	468	634	282	407	570	194
March	423	574	570	216	322	489	242	469	634	283	405	567	195
April	420	569	570	218	320	479	243	468	632	284	402	560	196
May	417	565	573	218	318	478	242	468	632	285	396	551	196
June	417	566	580	218	322	490	241	469	635	285	392	543	196
July	420	572	585	218	324	498	240	473	641	286	393	544	196
August	423	577	589	218	325	506	238	476	646	285	391	543	194

Year or month	3 Delta States 6/			Texas-Oklahoma			4 Great Plains States 7/			8 Mountain States 8/		
	Total	Demand	Time	Total	Demand	Time	Total	Demand	Time	Total	Demand	Time
1940	100	108	88	116	116	118	90	113	60	105	121	85
1941	114	130	91	132	134	124	99	129	60	117	139	89
1942	148	186	90	161	169	114	127	176	60	141	179	90
1943	203	277	92	244	268	100	195	292	63	211	291	101
1944	258	354	112	313	347	100	251	382	74	271	376	125
1945	342	465	153	417	464	126	316	477	94	345	474	165
1946	411	558	193	489	546	141	388	593	111	419	581	197
1947	423	561	216	502	560	150	424	650	124	430	596	205
1948	439	585	224	527	587	161	430	658	129	440	611	210
1949	448	596	228	519	576	172	424	643	131	439	610	211
August	427	561	227	503	558	167	419	634	131	421	580	208
September	429	565	227	513	569	173	425	647	131	432	600	208
October	440	582	227	526	583	176	427	650	132	443	621	209
November	453	603	228	545	605	175	424	645	132	456	641	210
December	460	616	228	558	619	182	426	647	132	456	640	210
1950 r												
January	468	626	231	572	634	187	432	655	133	453	630	213
February	463	618	232	572	632	198	428	647	133	446	616	214
March	462	616	234	564	625	187	423	638	133	442	610	215
April	459	610	235	557	616	193	418	629	134	438	602	214
May	453	599	236	550	608	193	413	621	134	436	599	214
June	448	590	237	552	609	195	410	616	134	431	593	212
July	444	585	235	553	611	194	415	624	133	427	587	210
August	439	578	233	559	617	198	418	629	133	428	589	208

1/ Based on deposits of member banks of the Federal Reserve System in places of less than 15,000 population (1940 census). Annual indexes are simple averages of monthly indexes which are based on average amounts of daily deposits. Each State is weighted by its cash farm income in the base period.

2/ Ark., Ga., Ill., Ind., Iowa, Kans., Mich., Minn., Miss., Mo., Nebr., N.Y., N.C., N. Dak., Ohio, Okla., Pa., S. Dak., Texas, and Wis.

3/ Mich., Wis., and Minn.

4/ Ohio, Ind., Ill., Mo., and Iowa.

5/ N.C., S.C., Ga., Ala., Miss., Ark., La., and Okla.

6/ Miss., Ark., and La.

7/ N. Dak., S. Dak., Nebr., and Kans.

8/ Mont., Idaho, Wyo., Colo., N. Mex., Ariz., Utah, and Nev.

TABLE 36.- Comparative rates and yields on selected bonds and money rates, 1930-50

Year or quarter	Federal land bank bonds 1/		Federal Farm Mortgage Corporation bonds 2/		Federal intermediate credit bank debentures 3/ 5/	United States Government bond yields 6/			Industrial bond yields 9/	Rates on prime commercial paper (4-6 months) 6/ 10/	Federal Reserve bank discount rates, New York 6/ 11/
						Partially tax-exempt bonds 7/	Fully taxable bonds 7-9 years 8/	Fully taxable bonds 15 years and over			
	Rates 2/	Yields 3/	Rates 2/	Yields 4/							
	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent
1930	4.53	4.58			3.39	3.29			5.25	3.59	2.00-4.50
1931	4.52	5.13			3.21	3.34			6.08	2.63	1.50-3.50
1932	4.53	5.32			3.33	3.68			6.71	2.73	2.50-3.50
1933	4.45	5.18			2.55	3.31			5.34	1.72	2.00-3.50
1934	4.24	4.17	2.99	3.11	1.83	3.12			4.52	1.02	1.50-2.00
1935	3.86	3.13	2.87	2.77	1.50	2.79			4.02	.76	1.50
1936	3.60	2.81	2.87	2.42	1.50	2.65			3.50	.75	1.50
1937	3.54	2.75	2.87	2.42	1.50	2.68			3.55	.95	1.00-1.50
1938	3.53	2.37	2.88	1.75	1.24	2.56			3.50	.81	1.00
1939	3.53	1.90	2.98	1.07	.88	2.36			3.30	.59	1.00
1940	3.53	1.70	3.00	.59	.75	2.21			3.10	.56	1.00
1941	3.53	-	3.00	12/ .70	.70	2.05			2.95	.54	1.00
1942	3.48	-	13/ 2.93	12/ .90	.77	2.09	1.93	2.46	2.96	.66	1.00
1943	3.42	-	3.03	14/ .64	.81	1.98	1.96	2.47	2.85	.69	1.00
1944	3.06	-	15/ 1.00	16/	.87	1.92	1.94	2.48	2.80	.73	1.00
1945	2.45	-	15/ 1.00	-	.88	1.66	1.60	2.37	2.68	.75	1.00
1946	1.55	1.36	17/	-	.93	-	1.45	2.19	2.60	.81	1.00
1947	1.55	1.46	17/	-	1.11	-	1.59	2.25	2.67	1.03	1.00
1948	1.55	1.87	17/	-	1.55	-	2.00	2.44	2.87	1.44	1.00-1.50
1949:	1.57	1.54	17/	-	1.47	-	1.71	2.31	2.74	1.48	1.50
Jan.-Mar.	1.55	1.73	17/	-	1.51	-	1.84	2.40	2.79	1.56	1.50
Apr.-June	1.55	1.61	15/ 1.00	-	1.53	-	1.72	2.38	2.78	1.56	1.50
July-Sept.	1.55	1.35	17/	-	1.44	-	1.56	2.24	2.71	1.46	1.50
Oct.-Dec.	1.62	1.48	17/	-	1.30	-	1.70	2.20	2.67	1.36	1.50
1950:											
Jan.-Mar.	1.62	1.51	17/	-	1.30	-	1.74	2.24	2.63	1.31	1.50
Apr.-June	1.62	1.57	17/	-	1.32	-	1.81	2.31	2.65	1.31	1.50

1/ Farm Credit Administration.
2/ Based on bonds outstanding at end of each year or quarter, excluding bonds owned by issuing agency.
3/ Average of daily yields on issues callable after 5 years. Between May 1, 1941 and January 31, 1945, all outstanding bonds were callable in 5 years or less. Yields for 1945 not shown because of refinancing activities. Beginning with 1946, data represent yields on bonds issued after January 31, 1945 and due or callable between 1946 and 1957; these yields are to call date where price was above par, but to maturity where price was at or below par.
4/ Average of daily yields on all outstanding issues with a minimum original term of 7 years or more.
5/ Based on debentures issued during each year or quarter.
6/ Board of Governors of Federal Reserve System.
7/ For 1930-40, figures represent averages of daily yields on all outstanding issues due or callable in more than 12 years. Beginning in 1941, series shows averages of yields on all outstanding issues due or callable in more than 15 years, of which none was outstanding after 1945.
8/ Beginning December 15, 1945, includes Treasury bonds of June 1952-54, June 1952-55, December 1952-54, and March 1956-58. Beginning December 15, 1947, includes Treasury bonds of March 1956-58 and September 1956-59.
9/ Moody's Investors Service.
10/ Prevailing open-market rates in New York City.
11/ Discount rate on advances secured by Government obligations and on discounts of and advances secured by eligible paper. A rate of one-half of 1 percent was effective from October 30, 1942 to April 23, 1946, on advances secured by Government obligations maturing or callable in 1 year or less.
12/ Excludes two issues quoted on a negative-yield basis.
13/ Includes some 1-percent bonds held by United States Treasury.
14/ Both of the bond issues included were callable in 1944.
15/ Represents only one issue of bonds.
16/ After May 15, 1944, all outstanding bonds were held by United States Treasury.
17/ No bonds outstanding.

LIST OF AVAILABLE PUBLICATIONS AND REPORTS
RELATED TO AGRICULTURAL FINANCE

Title		Date issued
Agricultural Credit:		
An Experimental Analysis of Factors Affecting the Collectibility of Cotton-Production Loans (Processed)	Oct.	1934
Federal Seed-Loan Financing and Its Relation to Agricultural Rehabilitation and Land Use	U.S.D.A. Tech. Bul. 539	1936
Demand Deposits of Country Banks (From Supt. of Documents, Govt. Print. Off., 5¢)	" " " 575	1937
Average Rate of Interest Charged on Farm-Mortgage Recordings of Selected Lender Groups (Processed)	Nov.	1940
Farm-Mortgage Credit Facilities in the United States	U.S.D.A. Misc. Pub. 478	1942
Farm-Mortgage Indebtedness in the United States (In cooperation with Bureau of the Census - Processed)		
Number of Mortgaged Farms	June	1943
Amount of Farm-Mortgage Debt	Mar.	1944
Farm-Mortgage Loans and their Distribution by Lender Groups, 1940-48	U.S.D.A. Cir. 812	Aug. 1949
Farm-Mortgage Investments of Life Insurance Companies (Processed)	Dec.	1943
Sales Contracts and Real Estate Investments of Life Insurance Companies (Processed)	Mar.	1944
Revised Annual Estimates of Farm-Mortgage Debt by States, 1930-43 (Processed)	April	1944
Farm-Mortgage Debt Reduced 952 Million Dollars, 1940-44 (Processed)	July	1944
Private Lenders Hold Larger Proportion of Declining Farm-Mortgage Debt (Processed)	May	1945
Distribution by Lender Groups of Farm-Mortgage and Real Estate Holdings, January 1, 1930-45 (Processed)	Aug.	1945
Farm-Mortgage Debt Declines During 1945 but at Slower Rate (Processed)	June	1946
Farm-Mortgage Debt in the United States: 1945 (In cooperation with Bureau of the Census - Processed)	Nov.	1947
Farm-Mortgage Loans Made or Recorded by Principal Lenders (Processed)	April	1949
Farm-Mortgage Debt Shows Substantial Rise in 1948 (Processed)	May	1949
Farm-Mortgage Interest Charges and Interest Rates, 1940-48	U.S.D.A. Cir. 821	Oct. 1949
Financing Farm Machinery and Equipment Purchases, 1947 (Processed)	Aug.	1949
Deposits of Country Banks up Most Since Prewar (Processed)	Sept.	1949
Farm Taxation:		
A Graphic Summary of Farm Taxation	U.S.D.A. Misc. Pub. 262	1937
Farm Property Taxes and Their Relation to Parity Determinations (Processed)	Nov.	1941
Tax Treatment of Income From Farm Woodland Under the Revenue Act of 1943 (Processed)	July	1944
Farm Bookkeeping and the Federal Income Tax	U.S.D.A. Misc. Pub. 554 Revised	Oct. 1944
Farmers' Cooperatives and the Federal Income Tax Statutes	U.S.D.A., F.C.A., Misc.Rept. 75	Oct. 1944
Local Government Debt in Rural Counties of Ohio (Processed)	Feb.	1945
Postwar Federal Finance and Agriculture (Processed)	Aug.	1945
Farm Real Estate Taxes in 1948 (Also releases for earlier years - Processed)	Aug.	1949
Taxes Levied on Farm Real Estate in 1949 (Processed)	Aug.	1950
Farm Insurance:		
Insurance Protection Against Farm Accidents (Processed)	April	1943
Reduction in Workmen's Compensation Insurance (Processed)	Sept.	1943
Crop and Livestock Insurance, 1941-1948	Library List 47	June 1949
Physical Risks in Farm Production	Library List 49	Aug. 1949
Social Security and Related Insurance for Farm People	Library List 50	Nov. 1949
Insurance for Farmers	U.S.D.A. War. Bul. 2016	June 1950
Safety Funds of Virginia Farm Mutuals (Processed)	July	1950
Other:		
Farmer Bankruptcies, 1898-1935 (From Supt. of Documents, Govt. Print. Off., 5¢)	U.S.D.A. Cir. 414	1936
Agricultural Finance Review (Vols. 1-12) (Processed)		1938-50
Wartime Changes in the Financial Structure of Agriculture (Summary of Misc.Pub.567)	U.S.D.A.Misc.Pub. 558	1945
The Impact of the War on the Financial Structure of Agriculture	U.S.D.A.Misc.Pub. 567	1945
The Balance Sheet of Agriculture, 1945	U.S.D.A.Misc.Pub. 583	Dec. 1945
The Balance Sheet of Agriculture, 1946	U.S.D.A.Misc.Pub. 620	Jan. 1947
The Balance Sheet of Agriculture, 1947	U.S.D.A.Misc.Pub. 642	Feb. 1948
The Balance Sheet of Agriculture, 1948	U.S.D.A.Misc.Pub. 672	1948
The Balance Sheet of Agriculture, 1949	U.S.D.A. Agr. Inf. Bul. 1	Oct. 1949
The Balance Sheet of Agriculture, 1950	U.S.D.A. Agr. Inf. Bul. 26	Oct. 1950
Fire Safeguards for the Farm	U.S.D.A. War. Bul. 1643	1949
Analysis of 7,851 Fatal Farm Work Accidents (Processed)	July	1945
Cost of Producing and Marketing Gum Naval Stores in 1943, 1944, and First Half of 1945 (Processed)	Mar.	1946
Analysis of Variations in Rice Yields in Arkansas, Louisiana, and Texas (Processed)	July	1946
Managing Farm Finances	U.S.D.A. Misc. Pub. 652	Sept. 1948
Method of Estimating Farm Fire Losses in the United States (Processed)	July	1948
Fatal Accidents in Farm Work (Processed)	Sept.	1949
Participation of Farm Mutual Fire Insurance Companies in Rural Fire Protection Programs (Processed)	July	1948
Recent Developments in Rural Fire Protection in the United States (Processed)	Feb.	1950
Fatal Accidents in Farm Work (Processed)	Sept.	1950
Meeting Weather Risks in Kansas Wheat Farming (In cooperation with Kansas Agricultural Experiment Station) (Processed)	Kansas Agr. Expt. Sta., Agr. Econ. Rept. 44	Sept. 1950
Stabilizing Farm Income Against Crop Yield Fluctuations (In cooperation with North Dakota Agricultural Experiment Station)	N. Dak. Agr. Expt. Sta. Bul. 362	Sept. 1950

LIST OF ARTICLES IN RECENT ISSUES OF THE AGRICULTURAL FINANCE REVIEW

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- **Short-Term Agricultural Loans of Commercial Banks, 1910-45.
- *Property Tax Developments Since 1932.
- *Federally Sponsored Farm-Mortgage Credit Agencies, Wartime Operations and Postwar Prospects.
- *Financial Mechanisms Used by the Commodity Credit Corporation.
- The Balance Sheet of Agriculture.
- Farmer Holdings of United States Savings Bonds.
- Recent Changes in Deposits of Rural Banks.
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- Legal Maximum Loan-Value Ratio and Term for Real Estate Loans by State Banks.
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- Research Projects in Agricultural Finance - Agricultural Credit, Agricultural Insurance, Farm Taxation and Local Government.

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- *Financial Prospects in a Changing Agriculture.
- *Farmers' Taxes.
- *Life Insurance Planning by Farm Families.
- *Farmers' Home Administration Act of 1946.
- **Organized Farm Fire Protection.
- Farm-Mortgage-Debt Situation July 1, 1946.
- Farm-Mortgage Recordings Maintain Upward Trend.
- Size, Terms, and Conditions of Farm Mortgages Recorded.
- Farm Real Estate Holdings of Lending Agencies.
- Farm Real Estate Values and Transfers.
- Balance Sheet of Agriculture, 1946.
- Deposits in Country Banks.
- Non-Real-Estate Agricultural Credit Developments.
- Commodity Credit Corporation.
- Loans to Veterans by Federally Sponsored Agencies.
- Crop Insurance.
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- *State General Sales Taxes and Agriculture.
- *Fiscal Problems of Local Government.
- *Production Risks of the Individual Farmer with Particular Reference to Weather Risks.
- *What the War Has Done to Agricultural Credit Facilities in Japan.
- *Reduction in Number of Mortgaged Farms During the War.
- Farm Real Estate Debt Turns Up.
- Farm-Mortgage Recordings Rise at Accelerated Rate.
- Farm-Mortgage Insurance Through Farmers Home Administration.
- Farm Real Estate Holdings of Lending Agencies.
- Farm Loans Guaranteed by Veterans Administration.
- Loans Made by Federally Sponsored Agencies to Farmer-Veterans.
- Non-Real-Estate Agricultural Loans.
- Revision of Series: Non-Real-Estate Loans to Farmers.
- Survey of Bank Loans to Farmers.
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- The Balance Sheet of Agriculture.
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- **Production and Farm Ownership Loan Programs of the Farmers Home Administration from Prewar Depression Through War and Postwar Inflation.
- *Recent Progress of Farmers' Mutual Fire Insurance Companies.
- **Measuring and Interpreting Farm Production Risks.
- **The Role of Farm Real Estate Credit in the Capital Structure of Agriculture.
- *Capital Used on Various Types and Sizes of Farms.
- Livestock Insurance in China.
- Farm Real Estate Debt Continues Upward.
- Farm Real Estate Holdings of Lending Agencies.
- Farmer Bankruptcies.
- Little Change in Dollar Volume of Mortgages Recorded.
- Farm Loans Guaranteed by Veterans Administration.
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- *Potentialities of Farm Debt Distress.
- **The Rural Electrification Program.
- *Uses and Misuses of the Balance Sheet of Agriculture.
- **Significance to Farmers of Housing Act of 1949.
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Vol. 12 Supp., May 1950
- Farm-Mortgage Debt Situation, January 1, 1950.
- Non-Real-Estate Credit Situation.
- Country Bank Deposits and Reserves Decline in 1949.
- Farmer-Owned Demand Deposits.
- Farm Real Estate Taxes.
- Federal Income Taxes Payable by Farmers.
- Farm Fire Losses.
- Farmers' Mutual Fire Insurance.

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